

ISSUES IN THE EVOLUTION OF PRIVATE FORESTRY IN COUNTRIES WITH ECONOMIES IN TRANSITION: LITHUANIA

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ABSTRACT

Lithuania has been undergoing a transition from one political culture (based on a centrally planned economy and a one-party system) to a very different political culture (market economy and a democratic political system). After the declaration of independence in Lithuania some new phenomena emerged in forestry: the formation of a free timber market; increasing timber export levels; new modes of ownership (private forests) and enterprise (private business logging companies); and the privatization of forest industry. 630,300 of forests were owned by private forest owners as of October 2003. This is 30.8 % of total forest area, a figure that is projected to increase to 40-45% in the future. Small-scale private forestry is developing in Lithuania. The average size of private forest holding is 4-5 ha.

The most important private forest management problems are small-sized forest properties, providing private forest owners with training, consulting and education systems; forest protection against fire and other abiotic and biotic factors; too strict legal regulations dealing with forest management; providing compensation of losses due to forest utilisation restrictions. Forest policy instruments for private forest management problem solving are the following: directions of forest policy, strategy, action plans, programs, forest-related legislation.

Keywords: private forestry, problems, forest policy.

INTRODUCTION

Situated on the eastern coast of the Baltic Sea, Lithuania (capital, Vilnius) is an independent republic occupying 6,530 thousand ha. Agricultural land constitutes 3,947 thousand ha (62% of the land), while forests occupy 1,976 thousand ha (30% of the land). Lithuania has a population of 3,610,500, of which 68% live in urban areas and 32% in rural areas. The population density is 55 inhabitants per square kilometer. For administrative purposes the country is divided into ten counties.

The major cities include Vilnius (population 576,400), Kaunas (409,700) and the seaport Klaipeda (201,800). 331,100 people are employed in agriculture, compared with 326,400 in industry.

The total forested area has been steadily increasing, from 21.8% in 1938 to 30.9% in 2001. Furthermore, timber volume has increased. The growing stock volume increased over the period from 1938 to 1998 to 213.7 million cubic meters. The mean volume has increased from 125 cubic meters per hectare to 193 cubic meters per hectare over the same period. The gross annual increment in forests is 11-12 million cubic meters, while annual removal is only 4-5 million cubic meters. As well as timber, Lithuania also provides non-timber products, such as berries, medicinal herbs, mushrooms and game.

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Protected areas in Lithuania occupy 775 thousand ha, of which forests occupy 380 thousand ha. In addition, 293 thousand ha of forests are under restricted use: multipurpose protective forests, urban and recreational forests, soil and field protecting forests, etc. As a result of the environmentally-oriented forest policy, forestry areas distribution by forest groups has changed in favor of strict reserves, special purpose forests and protective forests. An overview of private forestry sector in Lithuania, private forest management problems and forest policy instruments for solving of these problems is provided in the article.

PRIVATE FORESTRY SECTOR OF LITHUANIA

The structure of forest ownership has changed due to an ongoing land reform process since Lithuania regained independence. The private forest constitutes 202,800 private forest owners and 630,300 ha of private forest. This is 30.8% of total forest area, a figure that is projected to increase to 40-45% in the future. The forest area under restitution comprises 19.5% as well as state forests 49.7% of total forest area.

After the declaration of independence in Lithuania, the major part of the wood working industry has been privatized, with the exception of wood working production in the State Forest Enterprises.

Small-sized private forest properties are formed in Lithuania. Average area of private forest holding is 4.5 ha (in 2002). Holdings with the area of up to 3 ha accounted to 58% of the total number of private forest holdings in Lithuania. 44% of private forest owners reside in towns. The majority of landowners are over 60 years old.

The roundwood supply from private forest has increased over the past 10 years. The felling volume of private forest was over 2 million cubic meters in 2003. This is 40% of total roundwood supply in Lithuania. Small-sized private forest holdings are an impending factor on the development of a sustainable supply of wood from private forest to the market.

Since regaining independence the structure of Lithuania's forestry authorities has changed several times: the Ministry of Forestry of the Republic of Lithuania (1990); the Ministry of Agriculture and Forestry of the Republic of Lithuania (1996); the Department of Forest and Protected Areas under the Ministry of Environment of the Republic of Lithuania (1998). Since 2002 the Department of Forests at the Ministry of Environment has been the lead forests agency of the government and is primarily responsible for forest policy and legislation concerning the Lithuanian forestry sector. This Department includes the Private Forestry Division. The forestry administration also includes the Forests Control Division of the State Environmental Protection Inspection (Forest Control Division), the General Forest Enterprise, and the State Service of Protected Areas. All these institutions, like the Department of Forests, come under the auspices of the Ministry of Environment.

The Forests Control Division of the State Environmental Protection Inspection is responsible for monitoring the implementation of the Forests Act. It also performs a control function with respect to forest condition, utilization, reforestation and protection for both private and state ownership. It

administers the issuing of licenses for forest felling by private forests owners and state forests managers and has an advisory role, guiding private forest owners on forest use, reforestation, maintenance and protection.

Private forest owners are not yet a fully organized group. The Forest Owners Association of Lithuania (FOAL) is the organization that represents and unites private forest owners. FOAL was established in 1993 and has 39 local units. Regional units of FOAL will be established in all regions of Lithuania. The establishment of co-operatives of private forest owners is also ongoing.

Co-operation of private forest owners is strengthening in Lithuania. Forest Owners Association of Lithuania (FOAL) supports the development of the network of forest owners' co-operatives and others forest-related companies. These companies provide all forestry-related services and employ more than 130 skilled specialists. The consolidated roundwood supply from FOAL companies has increased over the past two years. These companies supply over 10% of roundwood from private forest and have become the biggest suppliers in the private forest sector.

Private forest owners manage forest according to forest legislation and forest management plans. The forest management plan is obligatory. A large number of requirements are incorporated for private forest management such as such cutting age, cutting area, licenses for commercial felling, forbidding of felling etc. For example, the cutting ages in protected forest are: Pine –171, Spruce – 121, Oak – 201, Birch, Black alder – 91, Aspen –61. The Environmental Protection Inspection administers the issuing of licenses for commercial felling by private forests owners. The clear cut area reforestation after three years period is also obligatory for private forest owners.

PRIVATE FOREST MANAGEMENT PROBLEMS AND NEEDS OF THE PRIVATE FOREST OWNERS

The new modes of ownership (private forests) brought new tasks for both private forest owners and forest authorities responsible for the forest policy and its implementation. It is often the case that the forest authority makes decisions related to the private forest owners training and advisory system, organizational structures of private forests owners, wood trading, private forest management despite the needs of private forest owners and new political culture in forestry.

It is necessary to carry out the detailed studies for defining the aims of private forests owners and problems of private forest management. The first survey was carried out in 1999 (Mizaraitė, 2001). The main aim of the survey was to find out the objectives and problems of private forest management as well as needs of private forest owners. The representative sample of respondents has been selected using the stratified random sampling method. 267 respondents were interviewed during the survey, while 65.9% constituted males and 34.1% females. The average age of respondents was 53 years. The average size of private properties managed by respondents was 24.6 ha, while average size of forest properties was 5.8 ha. The average distance from forest holding's location till owners' residence was about 30.6 kilometers.

The respondents were grouped by education background into three groups (high and higher, vocational, other education). The great majority of the respondents have high and higher education background (48.7%). The respondents were grouped by occupation into seven groups (wage-earner, student, retiree, farmer, homemaker, unemployed and others). 54.7% respondents were wage-earners, 27.7%–retirees, 9.4%–farmers, 4.5%–unemployed, and 3.7% respondents had other occupation.

The respondents were assessed by property achievement way following: forest property was restituted –175 respondents (65.5%); the forest property was purchased–51 respondents (19.1%); the forest property was given as a compensation for the other property–29 respondents (10.9%); other–26 respondents (9.8%).

A questionnaire for the survey has been designed. The questionnaire consisted of four parts: general information on the private forest owner and the forest property; objectives of the private forest management and forestry activity in the property; the private forest management problems; the private forest owner needs. The questionnaire includes 41 questions. The objectives of private forest property management and private forest management problems respondents evaluated by the scale of 5 scores (1 point – unimportant, ..., 5 points – very important).

According to the survey results the most important forest management problems are: the forest property is too small to achieve efficiency (73.8% of respondents); to strict legal regulations related to forest management (61.0% of respondents); lack of money for the silviculture activities (52.4% of respondents).

During survey the respondents indicated the forest property management objectives. The most important objective for respondents was to provide themselves with timber for their own purposes (77.5% of respondents) and cut the wood for selling, seeking stable level of income (63.3% of respondents). The objectives of aesthetic value (beauty, tourism, recreation etc.) (61.4% of respondents) and protection of nature has also big priority for the respondents (45.3% of respondents).

The most necessary services for private forest owners are: forest services for forest protection against fire, insects etc. (39.7% of respondents); advisory services (60.3% of respondents); preparation of special material and literature (52.8% of respondents). Forty-five percent of all respondents would like to be members of cooperatives with the main activities targeted at forest protection and commercial services.

The most necessary services for private forest owners are grouped into three groups: training, education and consulting services (48–60% of all respondents); forest protection and commercial services (48–70% of all respondents); other services (9–48% of all respondents).

PROBLEMS RESOLUTIONS USING THE FOREST POLICY INSTRUMENTS

The government of Lithuania approved the Forestry and Wood Processing Industry Development Programme in 1994. This document consisted of two parts: forestry and the wood industry.

The main chapters on forestry are: forest and forest resources; forecast of forest resources utilization; forestry policy; forest ownership and privatization; forest management and control; reforestation; forest sanitary protection and fire prevention; timber production (logging); and the education of forestry specialists and forest workers. The main chapters on the wood industry are: production of wood products; timber consumption; domestic and foreign trade of timber; roundwood; wood products; firewood standards and measurement rules and research.

In 1996 the Forestry and Wood Processing Industry Development Programme was revised and expanded with the addition of new chapters on the protection of forest biodiversity, research and scientific surveys (Lietuvos 1996).

In October 2001, the life span of the Action Plan of the Forestry and Wood Processing Industry Development Programme (prepared

in 1994 and revised in 1996) had expired, and the government of Lithuania made a decision to prepare the Policy of Lithuanian Forestry and its Implementation Strategy, which was, in effect, the second Lithuanian NFP.

The original Forestry and Wood Processing Industry Development Programme required amending for several reasons including: the Pan-European criteria of SFM have been adopted; the structure of forest ownership in Lithuania has changed; there has been an increase in the public role in forest management and environmental protection; the process of pan-European integration has accelerated since the original national forest policy was formulated.

The new Policy of Lithuanian Forestry and its Implementation Strategy was approved in September 2002 (Lietuvos ... 2002). It aims to continue the Forestry and Wood Processing Industry Development Programme. However forest ownership variety, the participation of society, development and strengthening of international relations, and efficiency of forestry activity and goals of rural development are all emphasized more strongly than in the first NFP.

The main strategic goals of the Lithuanian Forest Policy and its implementation strategy are preservation and enrichment of forest resources; ensuring the variety of forest ownership forms; participation of society in the solution of major forestry issues; presentation of information to society about the country's forests, their condition and management; development of education and training on forest issues; strengthening and development of international relations; sustainable and continuous usage of the forest resources with an increase of forest productivity and economic efficiency of forestry; ensuring the stability of ecosystems; preservation of biodiversity and improvement of forest health; meeting the general forest-related needs of society; and development of the state and private forest sectors in the rural development context.

The Policy of Lithuanian Forestry and its Implementation Strategy defines the key instruments for forest policy implementation for the period until 2015. The detailed action plan for 2003-2006 of the implementation of these instruments is already prepared, and implementation has started.

Present formation of Lithuanian forest policy and strategy is based on principles of international conception of NFP's. The NFP's conception consists of directions for forest policy, implementation strategy and action plans. The new NFP in Lithuania has all these main elements: participation, negotiation and conflicts resolution, intersectoral approaches, long-term iterative planning. Handling of these elements is in an initial stage.

The government of Lithuania has issued and, where necessary, amended a number of the forest-related rules and regulations, Forest Law as well as Policy of Lithuanian Forestry and its Implementation Strategy, which are the main legal instruments formatting the policy of private forestry.

The Parliament defines the major policy trends through adopting legislation. However the Ministry of Environment plays a central role in forest administration and policy. It formulates the national forest strategy and prepares the national forestry development programs. Lithuania had adopted the Pan-European criteria and indicators for SFM.

The main problems of private forestry sector are small-sized private forest properties; weak co-operation of forest owners; lack of their forest management knowledge; establishment of new protected areas; no subsidies from the state for private forest management. In Policy of Lithuanian Forestry and its Implementation Strategy

a number of the objectives have been formulated for the above-mentioned problems solving: development of private forest owners training, consulting and education system; correction of non-rational boundaries between the forests of the state and the private sector through equivalent forest property exchanges; introduction of a compensation system due to the restrictions of forest utilization in new established protected areas; integration of private forestry development into the general rural development programmes supporting by EU; support from the state for private forest management.

In Lithuania one third of forest area is under restricted forestry activity. The problem of compensation due to the restrictions of forest utilization in protected areas is existed. A large number of requirements are incorporated for private forest management (cutting age, cutting area, forbidding of felling etc.). However a compensation system does not exist in Lithuania.

The issue that has led to conflict is the hunting right. The Hunting Act was issued by the Parliament (Seimas) of the Republic of Lithuania on the 20th of June 2002. The Hunting Act consists of several unacceptable provisions for landowners. The main issues that have led to conflict include that hunters have the right to hunt in the private forest property without the approval its owner. The authority administrates the issuing of licenses for game hunting by hunting clubs according to the Hunting Law. However, the authority does not need even to inform landowners about this. The landowners do not have the right to lease their properties for hunting.

According to the former Hunting Law landowners did have a right to establish the private hunting units, if area in one circular boundary was more than 100 ha. Over 10 of private hunting units were established and legally registered in Lithuania. However this right has been abolished after amending of the Hunting Act.

Currently landowners have a right to establish the private hunting units, if area in one circular boundary is more than 1,000 ha. The average size of land property in rural areas is less than 8 ha. Thus, most of the landowners do not have the right to hunt in their own land.

Lithuania is joining the European Union. The forestry sector of Lithuania is different from EU countries' forestry sectors. The main differences are: the share of private forests, the private forest owners cooperation level, and timber export level. For example, in Sweden almost half of the private forest owners are members of forest owners associations. In Lithuania only 2-3% of the private forest owners are associated. Lithuania has been undergoing a transition from one political culture (based on a centrally planned economy and a one-party system) to a very different political culture (market economy and a democratic political system). Integration of Lithuania into the European Union should promote the solving of private forestry sector problems.

CONCLUSIONS

The structure of forest ownership has changed due to an ongoing land reform process since Lithuania regained independence. Small-scale private forestry is developing in Lithuania. The private forest constitutes 202,800 private forest owners and 630,300 ha of private forest. This is 30.8% of total forest area, a figure that is projected to increase to 40-45% in the future. The felling volume of private forest was over 2 million cubic meters in 2003. During the past two years roundwood supplies from private forest were consistently increasing in Lithuania. This is 40% of total roundwood supplies. The private forest owners association and cooperation process is developing in Lithuania. The main problems of private forestry sector are small-sized private forest properties; weak cooperation

of forest owners; lack of their forest management knowledge; establishment of new protected areas; insufficient support from the state. In Policy of Lithuanian Forestry and its Implementation Strategy a number of the objectives have been formulated for the above-mentioned problem solving. For example, development of private forest owners training, consulting and education systems; introduction of a compensation system due to the restrictions of forest utilization in new established protected areas; integration of private forestry development into the general rural development programs supported by the EU. Integration of Lithuania into the European Union should promote the solving of private forestry sector problems.

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