

NATIONAL REPORT: FOREST POLICY IN LITHUANIA

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Forests in Lithuania

Forests represent one of the major Lithuanian natural resources serving for the welfare of the state and its citizens, preserving the stability of the landscape and environment quality. Despite the forest ownership form, forest, primarily, is the national property that shall be preserved for the future generations at the same meeting the ecological, economic and social needs of the society.

State forest inventory is performed at all forests of the country. Upon this data, state cadastre (register) of forests is performed which covers the data about forests, their ownership, forest resource quantity and quality as well as the economic value. This data is actualised periodically and is used for the strategic forestry planning.

At the present time, forests in Lithuania cover about 2 million hectares, or about 32 per cent of the territory of the country. The total timber volume accumulated in the forests of the country reaches 388 million m³. Forest area per one inhabitant of the country reach 0,6 hectare or 113 m³ of timber volume.

The forest resources permanently increased during the last fifty years (Fig. 1) and, at present time, they are sufficient for ensuring a balanced fulfilment of the public needs.

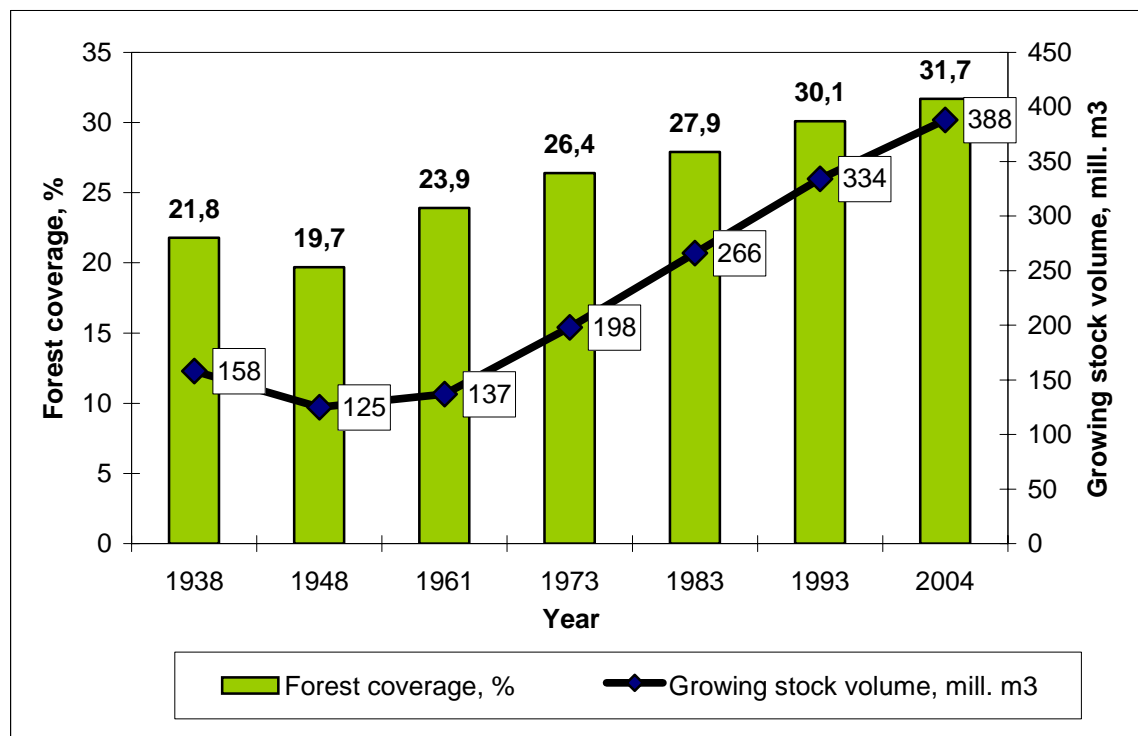


Fig. 1: Dynamics of forest coverage and growing stock volume in Lithuania

The Lithuanian forests can be described as a variety of species and mixtures. Coniferous stands covering 1159,2 thou. ha, prevail in Lithuania (58,9 %), followed by soft-broadleaves (714,8 thou. ha; 36,3 %) and hard-broadleaves (93 thou. ha; 4,8 %) stands. The area and growing stock of spruce has slightly decreased because of intensive harvesting. Among soft-broadleaves, birch stands cover the biggest area (Fig. 2). Area of birch, black alder and grey alder stands increased during the last five years.

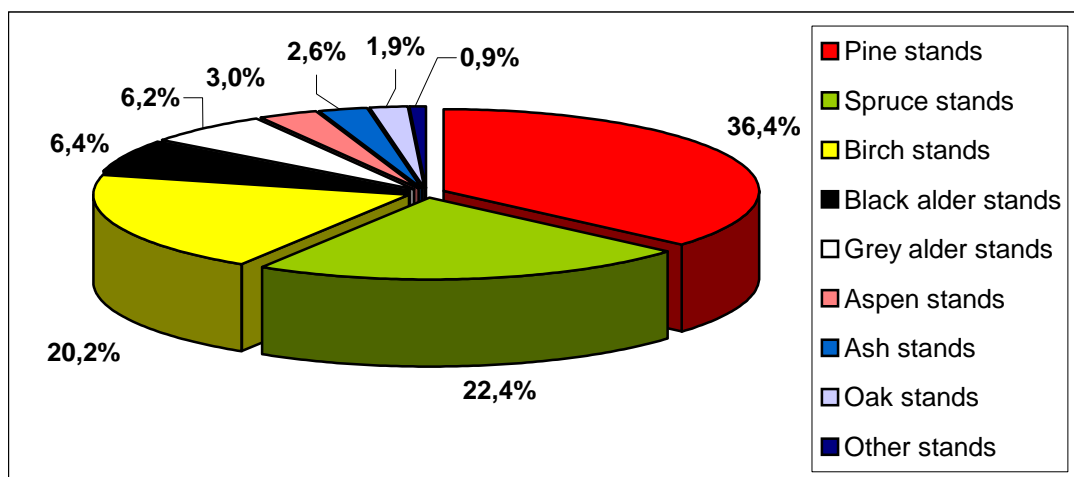


Fig. 2: Forest stands area by dominant tree species

According to the Forest Law of the Republic of Lithuania, forest can belong to the state, also to the natural and legal persons on the basis of private ownership. The ownership structure of the Lithuanian forests changes due to the ongoing Land (and forest) Reform. This Reform already lasts for more than ten years. However, the ownership rights on forests weren't restored to all applicants till now. About 370 thousand hectares of forests are reserved for the restitution of the ownership rights and practically there are no economic or commercial activities performed in these areas. Currently 32,8 % of total forest land are private forests, 49,3 % – state importance forests and 17,9 % are state forest, reserved for restitution (Fig. 3).

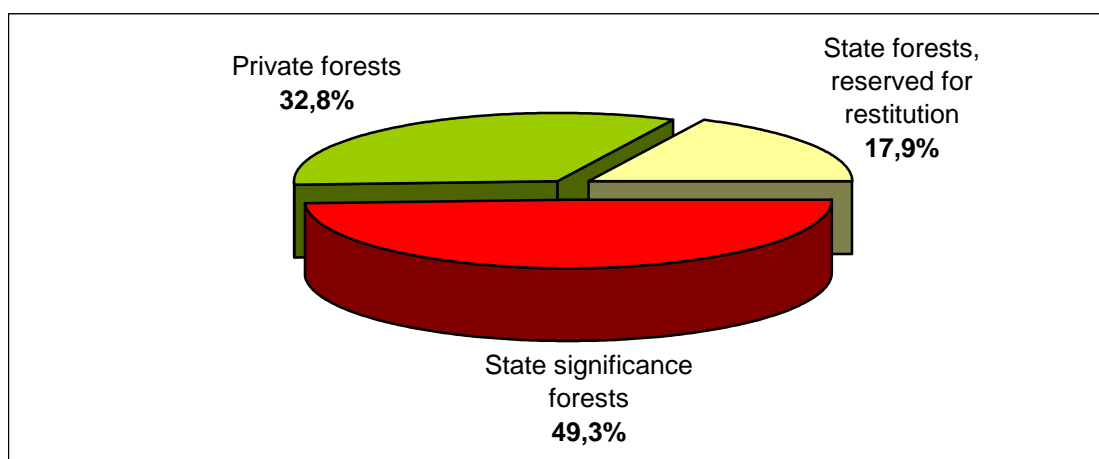


Fig. 3: Forest land distribution by ownership, January 1, 2005

Total area of private forests is 684,5 thou. ha, total number of private forest owners – 231,9 thou. (January 1, 2005). Total number of private forest holdings in Lithuania is 148,9 thou., average area of private forest holding – 4,6 ha. As the restitution is still going on, these figures are constantly increasing. It has been estimated that private forests will make about

40-45 per cent of the total forest area of the country after completion of the Land (forest) Reform.

Substantial forest areas are destined for forest ecosystem, soil and water protection, recreation, performing of other ecological and social functions. The forests of strict reserves, special-purpose (ecosystem protection and recreational) forests, and protective forests cover 603 thousand hectares or 29,2 % of the total forest land area of the country.

70,8 % of forest land is covered by the fourth-group (commercial) forests, in which the main objective of the economic activities is to form productive forest stands for a permanent timber supply. The average site class quality of the commercial forests is 1,8, the stocking level 0,72, growing stock volume – 195 m³/ha, with the average current increment reaching 6,4 m³/ha annually.

Common system of state fire-emergency means is maintained in the forests of all ownership forms. State forest enterprises and municipalities finance this system.

There are about 30 thousand kilometres of forest roads in the country. This road network is well maintained with about 20 per cent of the total road network repaired and with about 100 km new forest roads constructed annually.

In 2004 the felled volumes of wood comprised 6,4 mill. m³. Volume of annual felling was increasing for the last 5 years (Fig. 4). The increasing volume of cuttings in private forests has been the reason for the rising total felling volume. As the total area of private forests is permanently increasing, the amount of forest cutting in private forests is increasing as well. Forest cutting in state forests in the last 5 years is basically on the same level.

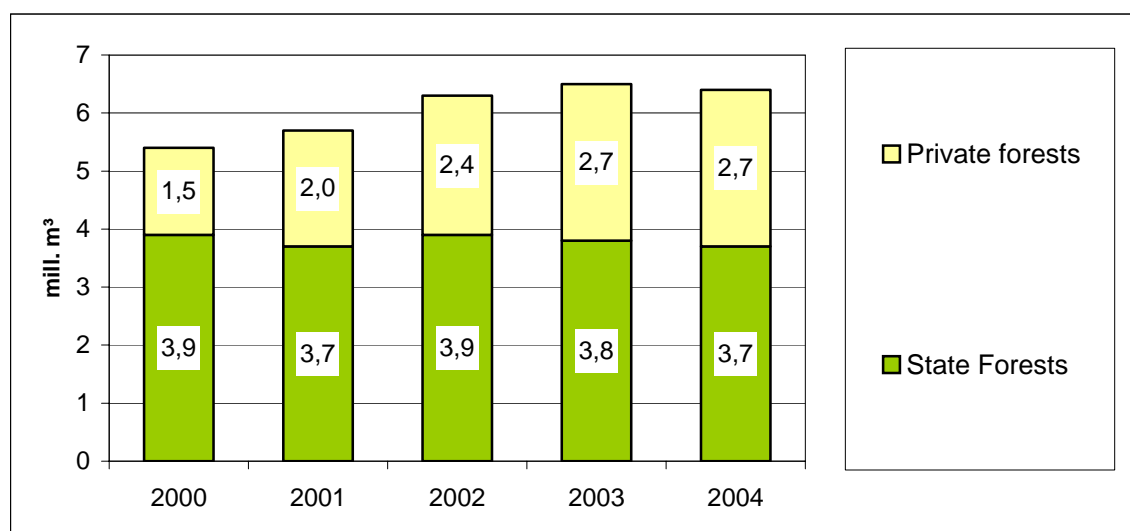


Fig. 4: Forest cutting in Lithuania 2000-2004

It shall be noted that the annual felling amount in the forests of the country was about 3 mill. m³ 15 years ago. Due to the increasing areas of premature and mature forest stands and their volumes in the forests of the country, forest cutting volumes are gradually increasing. During the recent years, about 6 million m³ of timber was cut in the Lithuanian forests annually, whereas the total annual current timber increment reached about 12 mill. m³.

The greater part of the prepared round wood is sold for the local market with quite a significant quantity exported. In 2003 1,4 million m³ of the round wood were exported abroad. Pulpwood makes up the majority of the exported round wood, the possibilities of the use of which are very limited in the country. The volume of imported round wood is insignificant, however it increases every year.

Forest policy and its implementation

The state forestry policy trends are defined by Seimas (Parliament of the Republic of Lithuania) by adopting appropriate laws. Ministry of Environment is responsible for preparation of state forestry strategy and state forestry programs.

The following instruments are used for the purpose of implementation of the forest policy: forestry related legislation, forestry administration, education and training, financial regulation, management of information and public relations.

The present Law on Forests of the Republic of Lithuania was approved in April 2001. The general aim of the law is to create equal legislative conditions for management of forests of all ownership categories. Law on Forests sets main requirements for forest regeneration, forest protection and forest use. According to the Forest Law forests are divided into four groups upon the objectives of the economic activities, their regime and the major functional purpose:

- I forest group – strict reserves forests (forest cuttings are not made)
- II forest group – forests of special purpose (II A – ecosystem protection forests and II B – recreational forests, non-clear cuttings are allowed)
- III forest group – protective forests (clear cuttings up to 5 ha allowed)
- IV forest group – economic (commercial) forests (clear cuttings up to 8 ha allowed)

According to Forest Law of Lithuania all forests should be managed, harvested and reforested according to the forest management plan. Forest management plans are prepared for 10 years. According to the Law clear-cut areas have to be reforested within three years after cutting. Forest owners cover forest regeneration expenses themselves. In case of natural regeneration forest has to be regenerated within four years. Lost regenerated areas have to be replanted within two years.

Priorities of the further development of private forest sector are fixed in the Forest Policy and Its Implementation Strategy approved in 2002. According to this document the state, by implementing state regulation functions of the whole forests in the country, form legal, financial and other preconditions for forest preservation, rational use of forest resources, satisfying social needs and ensuring environmental protection. The main objective of the Strategy is to define the major instruments for the implementation of the forestry policy for the period until the year of 2015. Strategy document contains four guidelines of the forestry policy: general, economical, ecological, and social. Vision, mission of the state and strategic forestry development objectives are pointed out in the Strategy document. Strategic objectives are:

- Preservation and increase of the forest resources
- Ensuring of the forest ownership variety
- Participation of the society in the solution of the major forestry issues
- Informing of the society about the forests of the country, their condition and management

- Development of forest research and forest education
- Strengthening and development of international relations
- Rational, sustainable and continuous use of the forest resources and increase of the forest productivity
- Improvement of the economic efficiency of forestry
- Ensuring of sustainability of forest ecosystems
- Preservation of the biodiversity and improvement of forest healthiness
- Satisfying of the general forest-related society needs
- Development of state and private forestry in the context of the general rural development

A plan of actions and measure is concluded, which includes definite actions and means for the development of separate strategic objectives establishing the period for the implementation of these means and defining the executives in charge.

For the implementation of forest policy measures there is forestry administration created and functioning in Lithuania (Fig. 5).

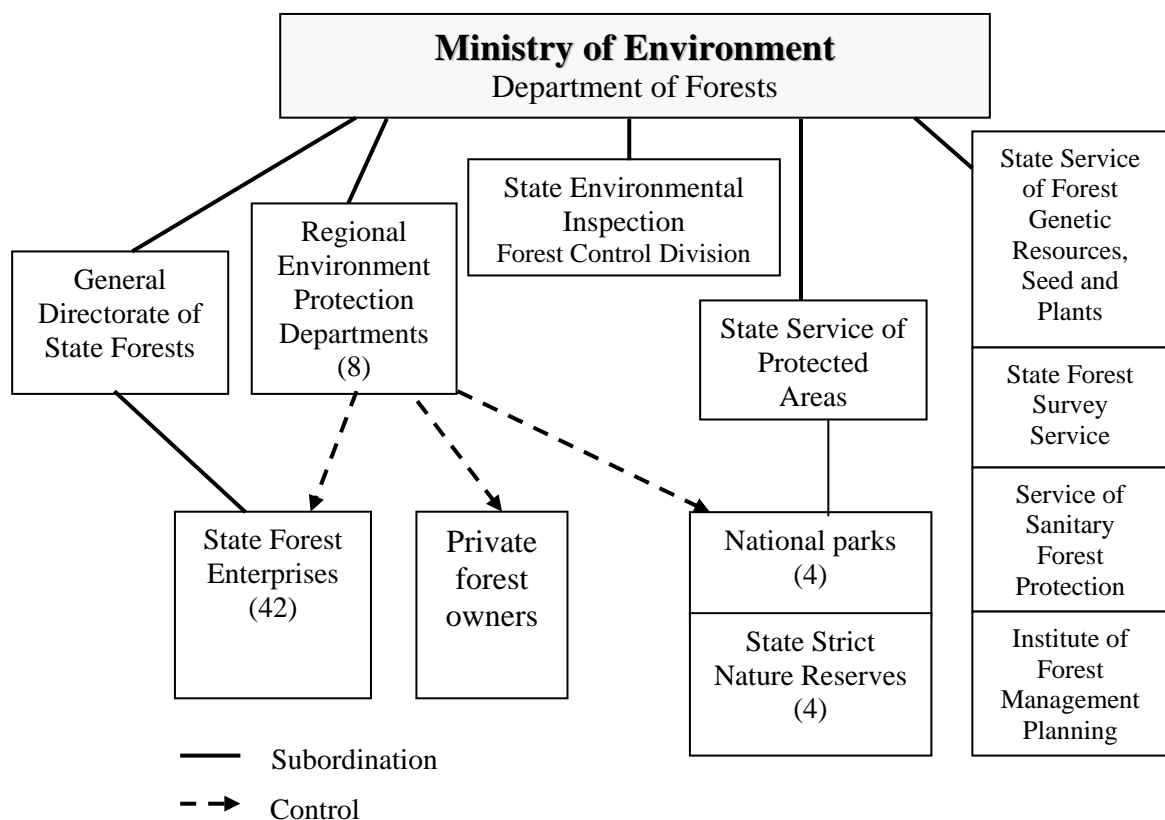


Fig. 5: Forestry administration scheme, 2005

From the 1st January 2004 the Regional Environment Protection Departments and its agencies in districts are responsible for the control functions for all forests of the country. They control the implementation of the Forest Law, forest conditions, use, reforestation and forest protection, issue permissions for forest cutting and control forest management quality.

State Environmental Inspection provides the methodical guidance to the state forest officers of Regional Environment Protection Departments.

In Lithuania the land tax is not imposed on forest land neither on private nor on state owned. Income tax for round wood sold by natural person makes 15 % of revenues from round wood selling. Legal persons have to pay other taxes to state budget, for example: profit tax (15 % from the net profit), value added tax (18 %).

Additionally to the taxes for legal person state forest enterprises have to pay obligatory 5 per cent deductions to the state budget from forest enterprise incomes for the raw material timber and non-cut forests sold. These deductions are included into state budget and used for financing of the Special Forestry Financing Programme. Many activities and measures in forests of all ownership forms are financed from the state budget through this Programme. It covers state forest survey and inventory, common state forest fire-emergency system, liquidation of natural disasters damages and pest outbreaks, applied forest research projects, programs implemented by different forestry related institutions, consultation and training of private forest owners, support to private forest owners organisational structures, public awareness raising on forestry issues and etc.

State financial support to private forestry development is provided mostly from the above state budget programme. Besides the state support, in Lithuania there is a possibility to get financial support from European Union (European Agricultural Guidance and Guarantee Fund – EAGGF) for afforestation of agricultural land under the Rural Development 2004-2006 Plan (RDP) and for forestry measures under the Single Programming Document 2004-2006 (SPD).

Relevance of EFSOS to development of Lithuanian forest policy

(1)¹ European Forest Sector Outlook Study (EFSOS) contains very important conclusions and recommendations that are relevant for the development of Lithuanian forest policy. One part of those recommendations is already implemented or under implementation in Lithuania, for example: forest law enforcement, good organised control of forest fires, promoting of wood energy production, improving the economical viability of forest management and etc. Some of the recommendations are not relevant for Lithuania because those recommendations are specified and addressed to different regions, for example need to address threats to sustainability in south-east Europe and the CIS sub-region. Significant recommendation, which is relevant but so far not suitably represented in the Lithuanian forestry strategy document, is the need for policies to stimulate the sound use of wood. Especially historical traditions in wooden house construction and use of wood for energy generation could be better promoted and supported in Lithuania. Furthermore, the climate change topic is underestimated in the current Lithuanian forest policy. Considering the not completed process of restitution/privatisation of forests in Lithuania, relevant proposal of the EFSOS is to develop a network focused on issues of restitution/privatisation of forests to exchange opinion and experience on forest sector institutions. Necessity of more developed cross-sectoral approach is important in case of Lithuania too.

(2) From the alternative future scenarios for the development of forest sector given by EFSOS the Baseline scenario fits best to the situation in Lithuania. This scenario assumes that there will be a continuation of historical trends in all the variables affecting the sector (population, economic growth, supply and demand of forest products and services, forest resources).

¹ Numbers are adequate to numbers of questions given in outline for national reports

(3) All the relevant recommendations of EFSOS could be discussed and taken into consideration during the reviewing of the Forest Policy and its Implementation Strategy document in the nearest future. Some proposals of EFSOS can be evaluated and accepted during the preparation of the Plan of Actions and Measures for Implementation of the Strategic Forestry Development Objectives for 2007-2010. Ministry of Environment has already started preparation of this Plan. In this process there will be involved all the stakeholders of forest sector.

(4) Forest specialists of the Ministry of Environment use information, conclusions and recommendations presented in EFSOS while elaborating different programmes for development of forestry. Environmental and other non-governmental organizations in Lithuania (Forest Owners Association of Lithuania, Lithuanian Fund for Nature, Association "Lietuvos mediena" etc.) as well as Ministry of Economics responsible for wood industry in Lithuania could potentially benefit from EFSOS.

(5) There are no activities provided to make EFSOS known at the national level yet, but EFSOS will be introduced to the stakeholders of forest sector and other interested groups of society during the preparation and coordination of documents mentioned in paragraph (3).

(6) All relevant and still not implemented in Lithuania recommendations of EFSOS mentioned in paragraph (1) are the most significant information, which is added by EFSOS to national policy debate. Additional important information from EFSOS is detailed estimation of possible future development scenarios for the forest sector.

(7) There are some comments on the EFSOS country profile for Lithuania:

- For the period from 1961 to 1988 there is data available (forest stands area, growing stock, annual increment, removals and etc.), which is more representative than figures given in country profile.
- In period of Soviet time roundwood was not exported but imported to Lithuania from other republics of Soviet Union (in opposition to given in country profile) and consumption of roundwood was much higher than given in this profile.
- Amounts of wood pulp, paper and paperboard production in 1970, 1980 and 1990 given in country profile are several times smaller than presented in statistics of Lithuania and do not reflect the real situation from that time in wood industry of Lithuania.
- According to data from Lithuanian State Forest Survey Service removals make about 87 % of total fellings (ratio between removals and fellings used in country profile is 76 %)
- Fellings scheduled in Integration scenario for 2020 are bigger than net annual increment – such situation is not acceptable to Lithuanian forest policy.

(8) Suggestions and comments with regard to further UNECE/FAO Forest Sector Outlook activities:

- EFSOS could be distributed broader by sending of the main report not only to heads of forest sector policy but as well to NGO's in the European countries.
- UNECE/FAO should implement the proposals of EFSOS, which cannot be implemented only on national level (promoting of the sound use of wood, building of networks on transition issues, promoting of European sustainable forest management more actively on global level and etc.).