

Sustainability of state forest management

Can the State Forest Management Centre guarantee that the next generations have the same opportunities to use forests like we do?

Report of the National Audit Office to the Riigikogu, Tallinn, 9 September 2010

Summary of audit results

37% of Estonian forests are state forests in the area of government of the Ministry of Environment, which are managed by the State Forest Management Centre (RMK). The RMK was founded in 1999 and it is the only profit-making state agency that resembles a company in its essence. Pursuant to the Forest Act, the RMK has all the rights and obligations of a forest owner.

The National Audit Office audited whether the state forests in the area of government of the Ministry of Environment are managed sustainably or in the manner that future generations can use state forests the same way that we do. In other words, will it be possible to cut the same quantities of the same timber that the RMK has been cutting from state forests in coming decades and will the deterioration of the ecological condition of our forests be prevented?

Cutting in quantities that are too big means that the area of old forests will decrease and cutting increasingly younger forests is recommended to maintain the prescribed yield. Decrease in the share of old forests causes the value of forests to go down and the ecological condition of forests deteriorates.

The National Audit Office believes that the RMK does not manage state forests in a sustainable manner and thereby threatens the opportunities of next generations to use state forests. The RMK has performed clear cutting in state forests on larger areas in the last ten years than in previous decades. In some forest types, such as fertile spruce forests, the RMK has had to reduce its prescribed yield considerably, as the area of forests ready for cutting has decreased as a result of management. Continuing to cut forests in current quantities would reduce the area of old forests in better forest types considerably, which would mean that the ecological conditions of forests would deteriorate and the yield obtained from the state forest in the future would fall.

The reason behind the problem is that the Ministry of Environment as the manager of the state's assets has not analysed the sustainability of state forest management or created a legal framework, which would guarantee sustainable management. When preparing legislation that regulates forest management, the Ministry of Environment has not analysed its impact on the structure of forests in terms of species and age, the association of conservation areas, and the habitats of species in conservation categories II and III outside conservation areas. The permitted ages of trees for clear cutting have been repeatedly lowered, and younger and thinner forests are being felled all the time.

■ The majority of clear cutting that yields income is done in the best forest types or mesotrophic, mesoeutrophic and nemoral forests, which comprise about one-half of state forest. Continuation of clear cutting in present quantities would decrease the area of old forest stands in these forest-types considerably in the next decade. Old spruce forests (90+) and old aspen forests (40+) in commercial forests or forests outside protected areas would run out in less than 20 years, old birch forests (70+) in less than 30 years and old pine forests (50+) in less than 50 years. Considering the division of state forests by species and age, and in order to alleviate the excessive felling of previous years, the extent of annual clear cutting in mesotrophic, mesoeutrophic and nemoral forests must be considerably

reduced: compared to the volumes planned for 2010, by approx. 30% in pine forests; by 40-50% in spruce forests; by approx. 50% in birch forests; and by approx. 70% in aspen forests.

■ There is no legal framework, which would guarantee that the goals of even forest use set out in the forest policy and the Forest Act are achieved. As the effective legislation makes it possible to earn income from forest management on account of the future and by damaging the ecosystem, then this is exactly what people do. The Ministry of the Environment has not analysed forest management in terms of the long-term objectives of state forest use. The legislation that regulates forest management must be amended in such a manner that they would require consideration of different forest types and the spatial location of the forests to be felled when cutting is planned. The amended forest management regulations must ensure that the area of old forests does not decrease by forest type and that the network of protected areas does not become less cohesive as a result of management.

■ The reasons of unsustainable forest management also lie in the essence of the RMK, which is a profit-yielding agency and therefore interested in earning profits and increasing its revenue. This causes a conflict of interests between planning and carrying out felling on one hand, and the obligation to guarantee preservation of the state's assets on the other hand. As the RMK is economically dependent on felling and the income generated by sales of timber, then such a conflict of interest is a threat to the sustainable management of state forest and its ecological condition. Reducing the annual cut in fertile forest types to a sustainable level would lead to a significant decrease in the RMK's turnover. Keeping the annual cut at its present level means that unsustainable management will continue and create even bigger problems in the future. The Ministry of the Environment therefore has to analyse its methods of state forest management and identify the best solution for management, in conditions of reduced revenue, which will ensure the sustainable use of state forests, the preservation of state assets, ecological stability and the provision of public services. The National Audit Office advises to reorganise the present profit-yield state agency into one or several government agencies or state-owned companies, where earning income would be separated from the other state functions associated with state forest.

[Response of the Minister of the Environment: The Minister of the Environment did not agree with a single conclusion drawn from the audit and is certain that state forests are managed according to the goals set out in the forest policy and forestry development plan approved by the Parliament and in a sustainable manner.](#)

[Although the National Audit Office believes that old forests in better types will run out in the nearest decades and a harmonised use of forests becomes impossible if state forest management continues in the same manner, the Minister of the Environment does not believe that following the National Audit Office's recommendations is possible. The Minister's opinion is that following the recommendations means that the long-term development trends of the forest policy would have to be changed. The Minister also adds that the goal of the Estonian forest policy approved in the Parliament is to maintain average annual cut within limits, which guarantee that the principle of harmonised forest use is observed in Estonian forests.](#)

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