



The values and attitudes of forest owners towards forest management and the use of financial support in Estonia

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Structure of the presentation

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The aim of the study

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Private forestry in Estonia

The legal base entered into force on November 1, 1991
(The Law on Land Reform)

At the end of 1993, **13 033 ha** of private forests,
on **average 6.9** hectares per cadastral unit

Formation of private forests

62% - restitution

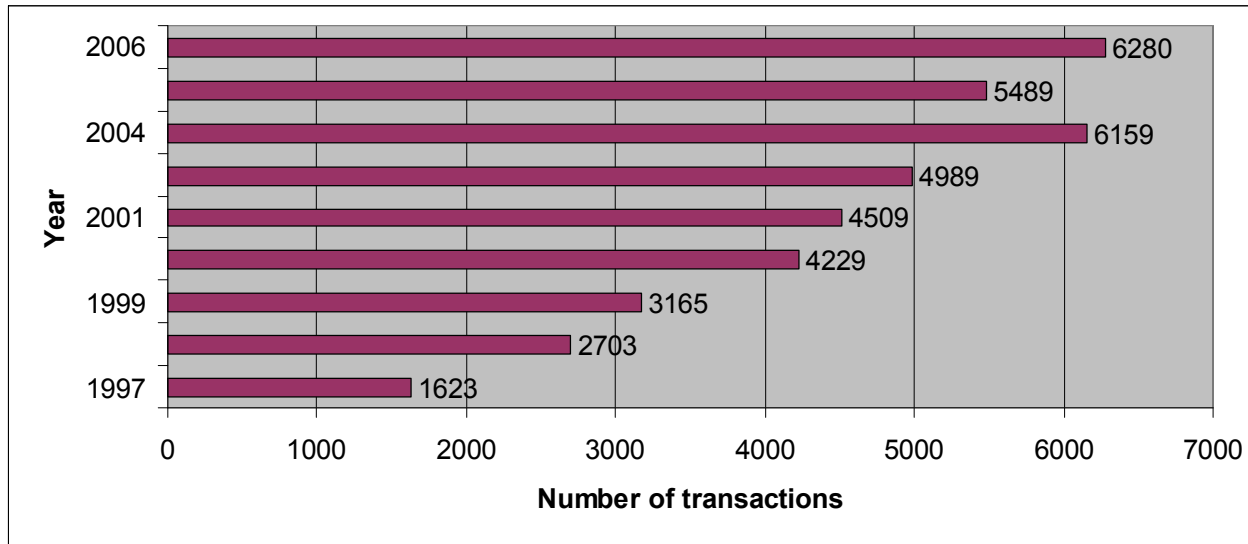
25% - privatisation using privilege to buy

9% - privatisation of “free” land

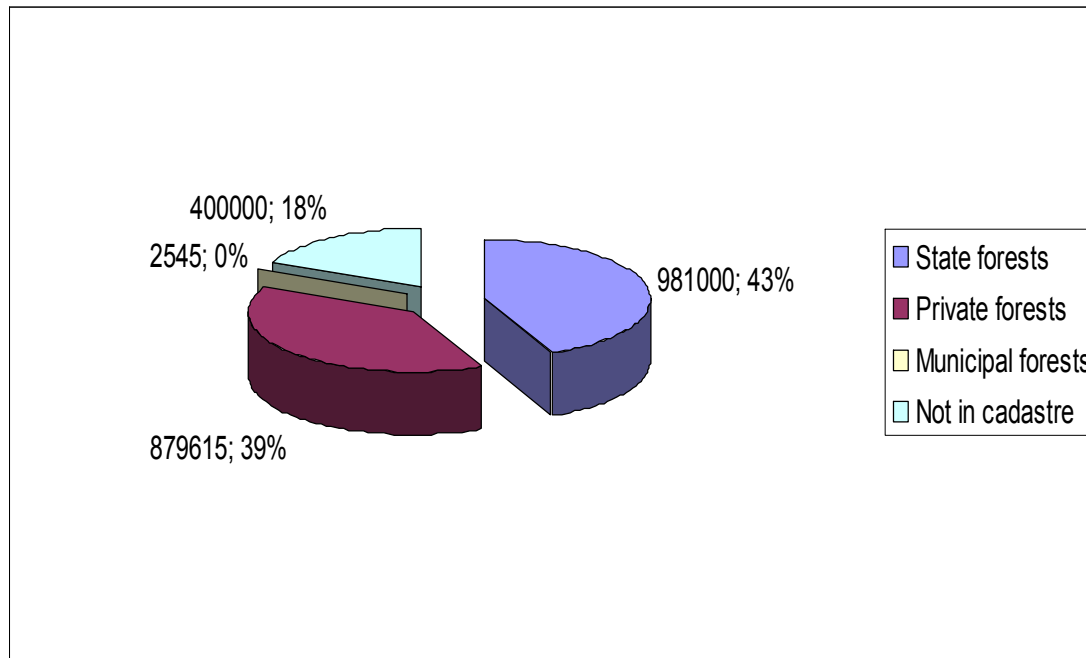
4% - privatisation on auctions

Source: Maamets, 2004

Forest transactions



Estonian forests by ownership, 31.12.2005



Source: Estonian Land Board

Functions of forests in opinion of Estonian forest owners, 2001

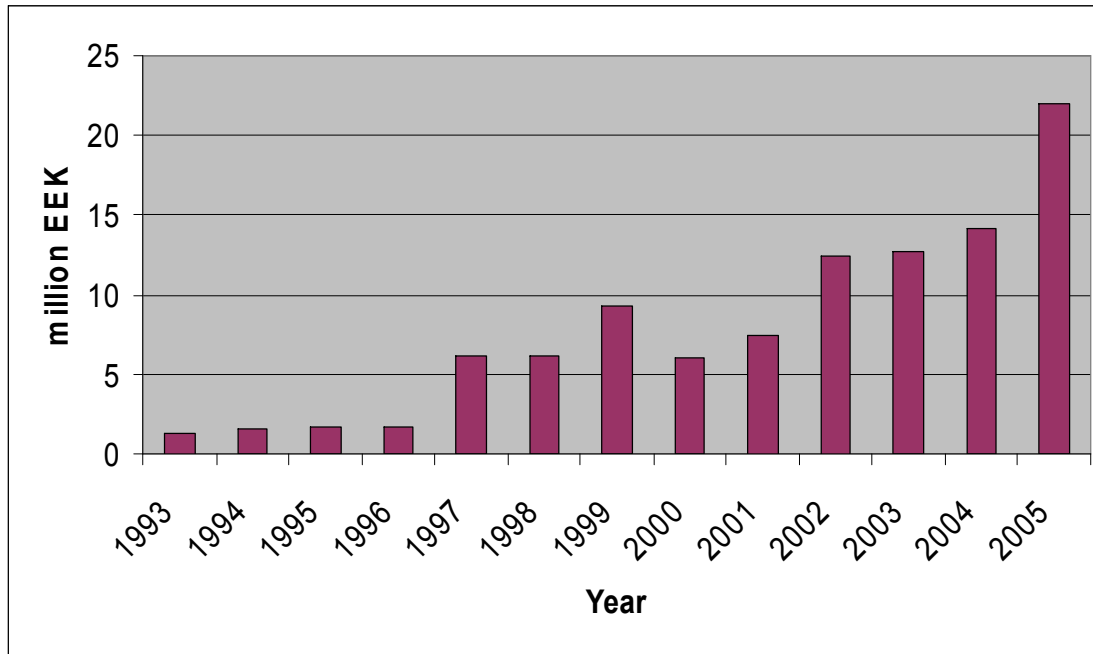
<u>Forest function</u>	Share of forest owners %
• timber	82
• environmental functions	69
• nature protection	65
• non-wood products	55
• recreation	52
• hunting	28
• defence function	24
• science and training	21

- Source: Centre of Forest Protection and Silviculture, 2002

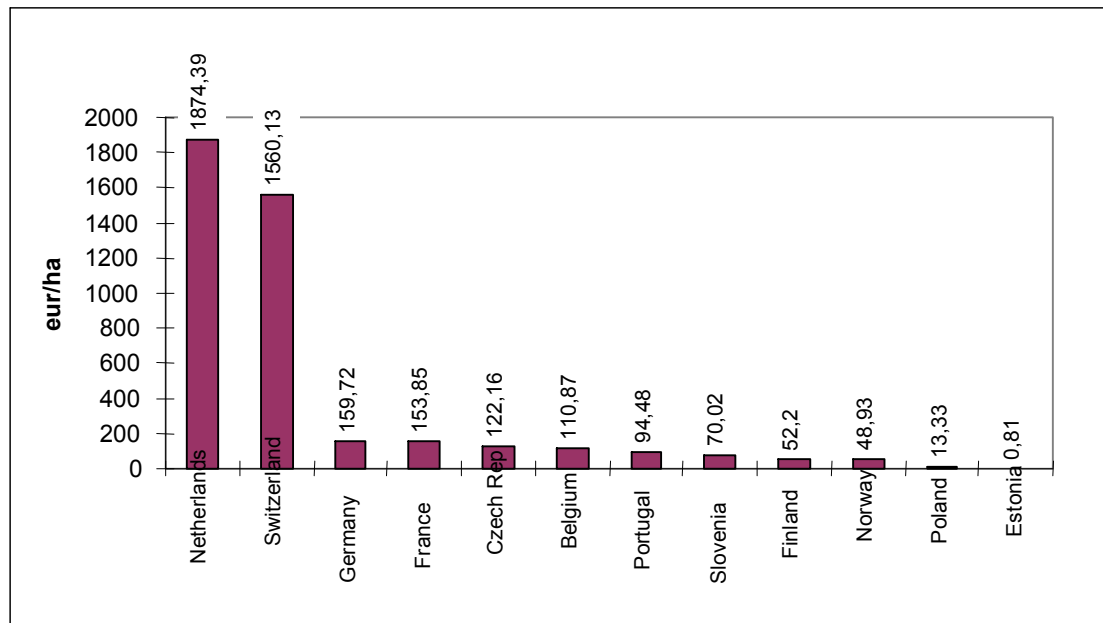
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Public support to private forestry



Comparison with other countries, public support per forest ha, 1990-1999



Source: EFFE, 2005

www.emu.ee



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The aim of the study

Starting point: the measure “Increasing the economic value of forests and adding value to forest products, 2007–2013”

Intention of owners to invest and the need for financial support

Information related to the forest owners, their attitudes etc

What kind of forms of entrepreneurship will be used by forest owners?

Budget planning for Rural Development Plan, period 2007–2013

Method and material

Questionnaire

Quantitative survey in march april 2007, 3 target groups

- Individuals
- SMEs
- Forest owners' associations

First contacts by phone, then e-mail;

opportunity to choose paper version, web based
formular, interview





Survey

Directed sample: owners with larger area were favoured,
database of those who already have applied for
support

Respondents:

472 individuals (out of 1000)

47 companies (out of 300)

24 forest owners associations (out of 43)

Results – some descriptive information

Forest owners associations – on average 4100 ha of forests and 53 members, median 3100 ha

86% of respondents intend to increase the number of members

The problems which have to be solved in private forestry: taxation (83% of respondents), compensation of land in public use (78%), hunting management (61%)

Results – descriptive information, individuals

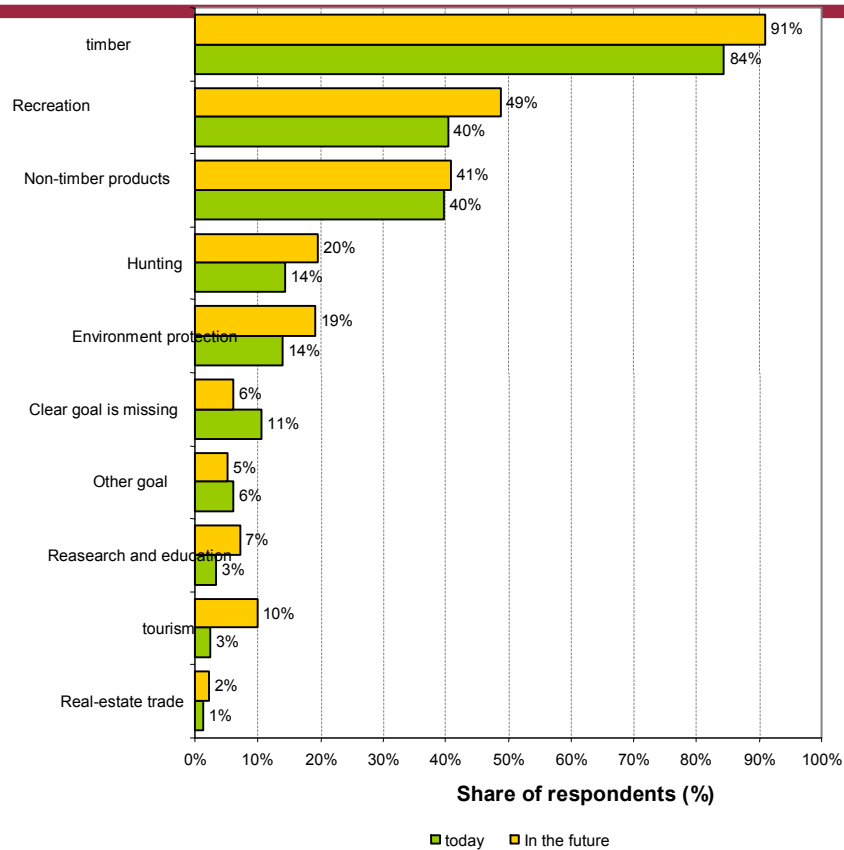
Mean age – 51 years

The median area of forest property – 27 ha

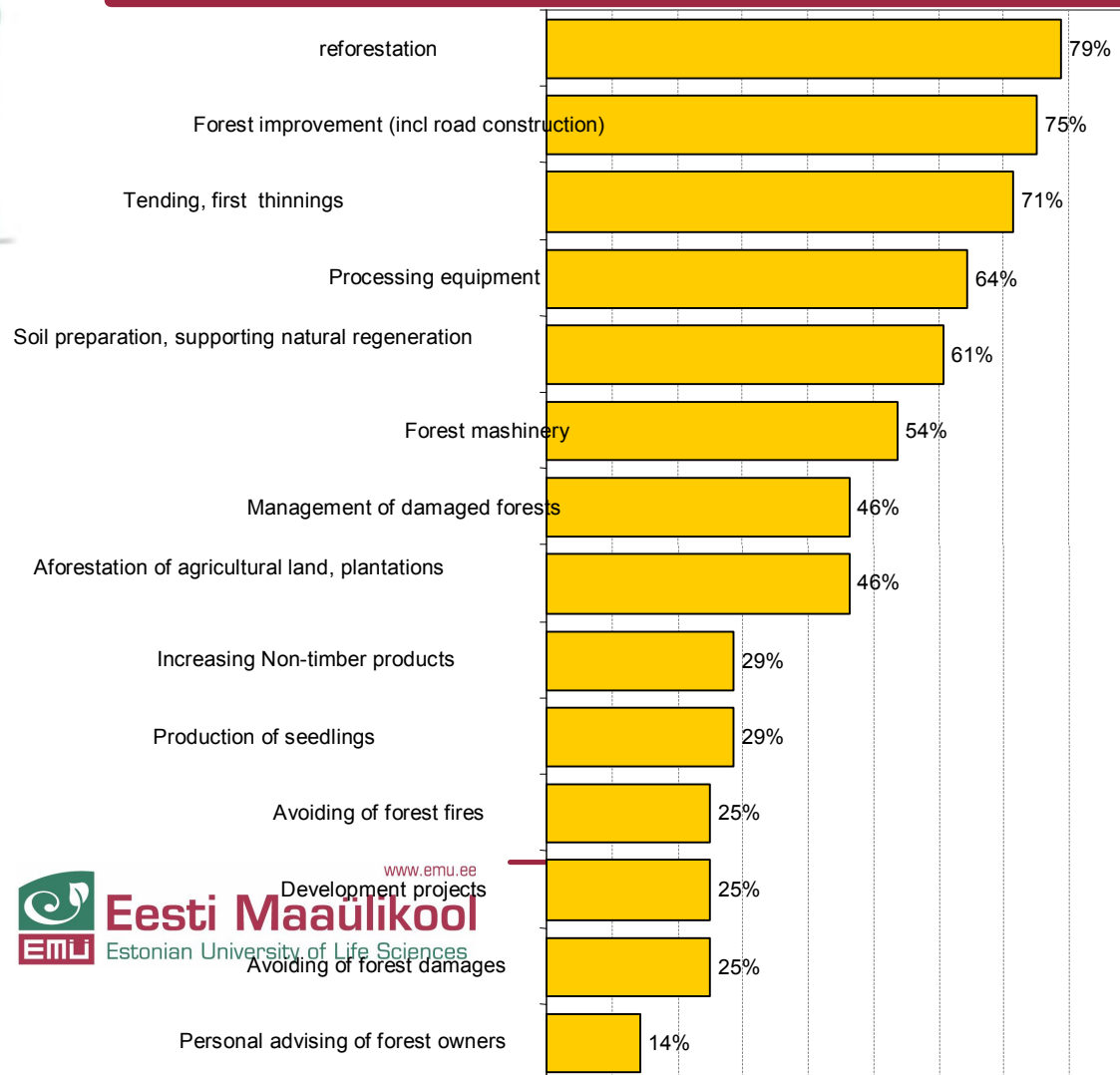
Forest management plans do exist for 81% of forests

Financial performance of forest management – 51% expect the 0 result, 29% want surplus, 20% are ready for short run expenses (investments)

Results-goals of for management, individuals



Results - need for support, answers of enterprises





Results

Forest owners associations are active to apply for support (100% of respondents) and are informed about measures which are implemented by government

Support for silvicultural measures like reforestation, tending etc are accounted to be most important, also the forest melioration and buying of forest machinery

60% of associations, 20% of individuals and 16% of enterprises were well informed about public measure for the period 2007 – 2013



Results

The change of form of entrepreneurship by individuals:
40% intend to manage forest as entrepreneur,
12% will establish the enterprise

The main reason behind such intentions is the taxation



Suggestions concerning administrative aspects

- Electronic applications, e procedures;
- Decrease bureaucracy!;
- More information to forest owners!
- More trust to applicants!
- Increase the competence of officials!
- The process concerning applications and decision making should take less time



Conclusions

Forest ownership is consolidating on economic reasons

The economic policy concerning incentives has changed

The incentives (cost sharing) have a positive effect on forest management in private forests

There are opportunities for national approach and decisions within EU measures

Thank you

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