



PROFOREST

**ASSOCIATION OF PRIVATE
FOREST LAND OWNERS**

2010-2021

BACKGROUND

PROFOREST (2010)

- └ Association of Romanian private forest owners (juridical persons), with private forest property of ca 40 tha (from MH to NT))
- └ Organisation (President – Zoltan A. Kosy; Director General – Liviu Flusca; Operative - Board of Directors)
- └ Aims to promote financially feasible, socially responsible and environmentally sustainable, conflict free forestry in Romania
- └ Welcomes new forest owners, who comply with acceptance criteria and share the same values, to join and to reach common aims
- └ **TORNATOR SRL (www.tornator.ro) – Founding Member**
 - └ Established in 2008 by parent company Tornator Oyj (www.tornator.fi), owner of 650 tha (FIN) & 65 tha (EST)
 - └ Organisation (Country Manager – Zoltan A. Kosy; Board of Directors; Operative Management Team)
 - └ Romanian forests – forests 12 tha; growth 144 tm³/a; harvesting 86 tm³/a; employees 36
 - └ Business – wood sale (local SME's); services sale (management, recreation); land sale & lease (building, power, processing)
 - └ Certified forest management – FSC © C132426 (2016) & PEFC © PEFC/46-23-01 (2021)
 - └ Managed to attract new business partners to invest in value added processing of local wood (Onesti/Bacau – ca 350 new jobs)

PRIVATE FORESTRY - OWNERSHIP RIGHTS (1)

FINLAND

- └ Forest owners' property rights are very strong to practice their ownership rights in planning, utilising and managing their forests independently (also without forest education)
- └ Legislation sets rules for practicing ownership rights
 - └ Laws clear, harmonised – understandable, practicable
 - └ Addresses sustainability – utilisation of property rights generates obligation(s) to owners (consequences)
 - └ Guidelines for sustainable forest management
- └ Legality of practicing their ownership rights of forest owners (all owners - state, private, public) is controlled by the independent Finnish Forest Center (Suomen Metsäkeskus) – FCC mainly advises & not penalises
- └ Sustainability aimed through open dialogue, involvement, participation, true public consultation
- └ Intensive, but responsible use of resources made forest cluster to become FIN economy's backbone
- └ Compliance high with EU & international regulations

ROMANIA

- └ Private forest owner's practice their ownership rights via the obligatory OS's system/management (owners' use rights very regulated, limited – OS's dependency)
- └ Complex legislation & regulations
 - └ Laws unclear, not harmonised - bureaucracy high
 - └ Addresses owners' obligations mainly
 - └ Guidelines & recommendations not always available (some good practices exist: TOR-Bucegi & TOR-GF SV)
- └ GF – focuses private sector mainly (approach problem & penalty based)
- └ Weak dialogue, hearing in public consultation – lack of owners' involvement
- └ ROM has very high (non yet utilised) potential in forest cluster – similar to Nordic countries (SWE, FIN, EST, LAT, LIT)
- └ Infringement with EU & international regulations

PRIVATE FORESTRY – FOREST MANAGEMENT (2)

FINLAND

- └ Obligatory forest management plans (ex 10y FMP's), prepared by licensed management planning companies are not in common use anymore
- └ Laws define limits & guidelines minimum criteria for sustainability – above criteria, owner decides adopted level (soil preparation method, regeneration method, planting density, thinning intensity, maturity, rotation, etc)
- └ Forest management planning & stand development modelled by digital ERP systems (for 30/50/70 years)
 - └ Digitalisation – data collecting, analysis & monitoring
 - └ Remote sensing & satellite imaging – data accuracy
 - └ Robotics & AI – data analytics & interpretation
- └ Forest use & operations approval case-by-case – upon the written (electronic) announcement by forest owner/client within 14 calendar days
 - └ Sampling based field check (ex. Nature2002 sites)
- └ Practically no purposeful illegalities in forest management

ROMANIA

- └ Obligatory 10y Forest Management Plans – limited flexibility (forces owners to treat their for not necessary the most optimum way – long term sustainability at risk)
- └ Laws, norms, ministerial orders strongly limits use rights – frequent changes leave space for local mis-interpretation
- └ Digitalisation, automatisisation & AI applications at low level and gap to other EU is significant – need better collaboration & integration to decrease
- └ Permitting & approval procedures are time consuming, causing significant delays in all forest sector (limited skilled resources, bureaucracy, manual handling, etc)
 - └ However, significant improvement in last 3-5 years (ex. OS's roles increase in checking & approving APV's)
- └ Bureaucracy, misinformation, illegalities, lack of dialogue, penalty based control system still leave dark clouds/shadows over forest cluster
- └ ROM – social & economic opportunities lost/not utilised due to poor dialogue, low involvement, lack of collaboration

PRIVATE FORESTRY – FOREST PROTECTION (3)

FINLAND

- Protected areas - national parks (large areas, full restriction, state owned); Directive/Law based (size & restriction varies - ex. Nature 2000 objects); Voluntary protected areas (size & restriction varies)
- When private property owners' rights (due to high public interest) to practice their ownership rights have been limited or restricted => right for fair value compensation (base line - forest value without restrictions):
 - Land swap (from state forests with equal value)
 - Monetary single (ownership private => state)
 - Monetary periodic (ownership private, use right limited)
- Procedure to establish protected areas (public dialogue)
 - Identification & assessment of conservation value (what, why, where, how – EIA made by public authority, not by forest owner, prior to conservation or protection decision by authority)
 - Owners' mutual consent – via true public consultation, hearing
 - No obligatory FMP's & no obligatory EIA's for forest owners
 - Owners' use right maintained until compensation received
- Financial & social impacts assessed prior to protection

ROMANIA

- Status of ROM forests – protected but possible to operate (HYGI, ACDT) & commercial (non-protected) but limited to utilise (case FIN: if protected - no operations & if commercial (non-protected) – owner decides)
- Private ownership & related financial obligations to pay: OS's fees for guarding, marking & other services; public contributions/payments – environment tax, regeneration fund tax, forest road use tax (but where are the forest roads...☹), profit tax (if anything left... ☺)
 - Case FIN: PROFIT TAX (ownership related costs 100% deductibles); land tax (small); shared road management & maintenance (local forest road associations - shared costs & good quality); costs of regeneration – pay when harvest (no special regeneration funds)
- Private ownership & related rights for compensations – even if all taxes & state contributions paid, received compensations are marginal, paid with long delays...
- Assessment of impacts (financial, social, environmental) – no comments... You know why We are here today!

Forests are our Passion!

Let's Make

Dialogue, Partnership, Collaboration Real!

Let's Join Efforts!

**Work Sustainably &
Inherit Diverse Forest for Future Generations!**

Together We Can Make it Work!

Thank You!