Enquiry

Private Forest Ownership in Europe

I. BACKGROUND

A significant share of the forest area in Europe is owned privately. Forest owners play a key role in sustaining forest ecosystems and enhancing rural development. Nevertheless, a significant lack of knowledge on forest tenure in Europe remains. A joint enquiry/questionnaire by UNECE/FAO, the Ministerial Conference on the Protection of Forests in Europe (MCPFE) and the Confederation of European Forest Owners (CEPF) was elaborated and addressed to 38 European countries with private forestry[1] in May 2006. 23 countries have participated through submitting national reports[2].

The enquiry is compatible with the UNECE/FAO Temperate and Boreal Forest Resources Assessment (TBFRA-2000), but goes further, addressing also in-depth socio-economic issues of forest tenure. The final results of the study will be reflected in the Report on the *State of Forests and Sustainable Forest Management in 2007*, to be presented at the 5th MCPFE Ministerial Conference in November 2007, and a Discussion Paper to be issued in 2008. Findings are presented in the following. The enquiry gives an overview of the status of data availability for each country and provides the basis for the analysis of trends shaping the private forest ownership (PFO) sector.

II. SIGNFICANCE OF PRIVATE FORESTRY IN EUROPE

The importance of private forestry has been acknowledged in several political processes and expert meetings. The EU Forestry Strategy recognised in 1998 the importance of private forest owners within the European Union and the wide variety of ownership types.[3] In 2003, the Fourth MCPFE Ministerial Conference acknowledged that sustainable forest management in Europe relies, *inter alia*, on private owners[4]. Moreover, the mobilization of incentives for Sustainable Forest Management practices among small private forest landowners was highlighted in the policy recommendations in the Report

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1 The enquiry was addressed to the following 38 of the 46 MCPFE countries, with records of private forest area, according to the TBFRA-2000: Albania, Andorra, Austria, Belgium, Bosnia and Herzegovina Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Monaco, Montenegro, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Serbia, Spain, Sweden, Switzerland, UK, Turkey.

2 The following countries have participated through submitting national reports: Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Finland, France, Germany, Hungary, Iceland, Ireland, Latvia, Lithuania, Netherlands, Norway, Poland, , Romania, Slovakia, Slovenia, Serbia, Sweden, Switzerland, UK.

3 EU Forestry Strategy (1998). Council Resolution of 15 December 1998 on a Forestry Strategy for the European Union: *"The implementation of the EU Forestry Strategy (...) is a dynamic process. The strategy encourages a participatory and transparent approach involving all stakeholders, while recognising the wide variety of ownership regimes within the Community and the important role of forest owners."*

4 MCPFE Liaison Unit Vienna, UNECE/FAO Timber Branch Geneva (2003). State of Europe's Forests, The MCPFE Report on Sustainable Forest Management in Europe, Vienna 2003.

of the Fifth Session of the United Nations Forum on Forests (UNFF)[5]. In January 2007, during the workshop "Mobilizing Wood Resources", organized by UNECE, FAO, MCPFE, the Confederation of European Paper Industries (CEPI) and other partners, the empowerment of private forest owners was identified as an important means to sustainably mobilize wood resources for meeting both the needs of the forest-based and related industry as well as the bioenergy sector. It was also recognized that there is a need to improve knowledge of ownership structures as well as the attitudes, goals and motivations of forest owners, which may affect wood production and mobilization.

Despite the accepted importance of PFO for rural development, there is a significant lack of information on forest ownership in Europe, especially with regard to the private forestry sector. Comprehensive information is crucial for the development of policies for private forestry, and European forestry in general.

III. METHODOLOGY

In October 2005, the UNECE/FAO Timber Section, together with MCPFE and the Confederation of European Forest Owners (CEPF) decided to launch an enquiry relating to PFO. During the design and development of the enquiry, input has also been received from the Federation of European Communal Forests (FECOF), the European Landowners Organisation (ELO) and from European forest tenure experts[6]. In December 2005, a draft enquiry was sent to Finland, Slovakia and Lithuania for testing. The inputs to the test enquiry by countries allowed to further adjusting the enquiry towards its final implementation. The launch of this regional PFO project was endorsed by the 28th session of the Joint FAO / UNECE Working Party on Forest Economics and Statistics in March 2006.

23 country reports have been received. Some countries indicated that they did not participate due to significant lack of data. Reasons for the low response rate are being investigated; they may be vested in a lack of data, lack of reporting capacities or the detail of the questionnaire.

Received country reports were validated with regard to data consistency and comprehensiveness. The compatibility with other data sets e.g. the regional UNECE/FAO Forest Resources Assessment and Quantitative Criteria & Indicators on Sustainable Forest Management is being assessed. Some analysis of the holding structure is reflected in the MCPFE report *State of Forests and Sustainable Forest Management in Europe 2007*. More depth analysis on the basis of the finding will be presented in a Discussion Paper (DP), to be issued in 2008. Gathered data shall also be presented in an online information repository, containing relevant data of all countries having submitted reports.

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5 United Nations Forum on Forests (2005). Discussion paper contributed by the Farmers and Small Forest Landowners Major Group, New York 2005: "Policy and decision makers need to give higher priority to the establishment of clear ownership structures in favour of family forest owners and community forest owners."

6 2nd Meeting of the UNECE/FAO Team of Specialists on "Monitoring forest resources for SFM in the UNECE Region".

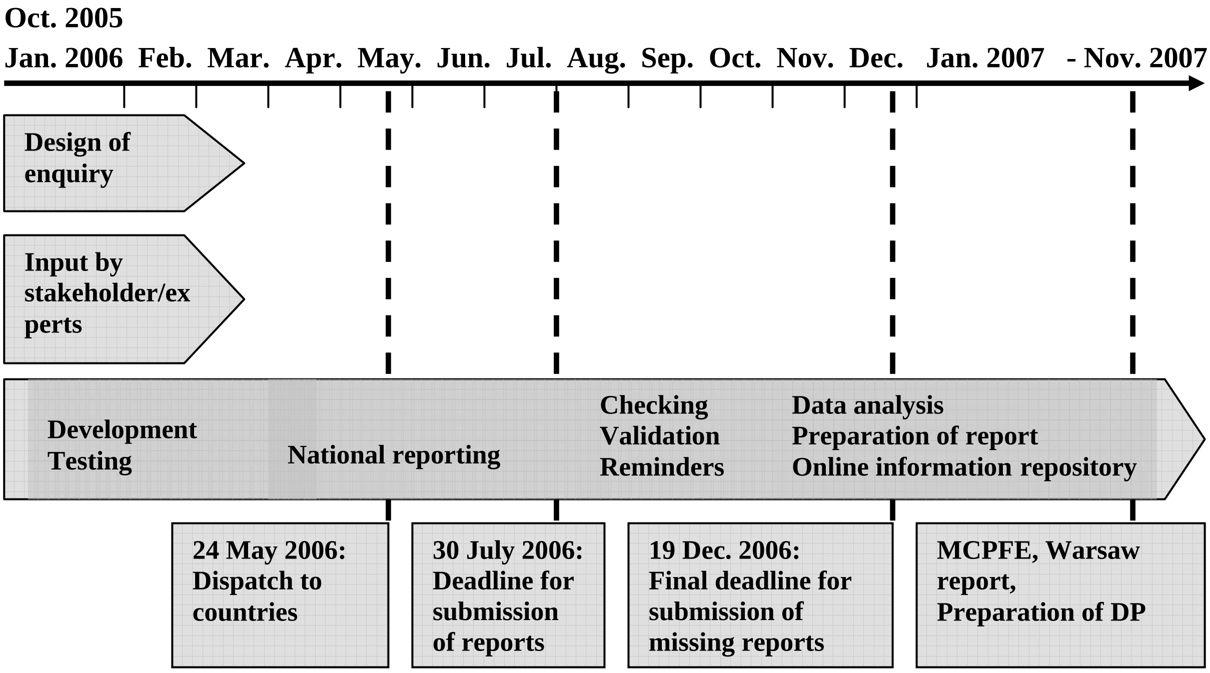

Table 1: Overview on the Enquiry Process

IV. FINDINGS

IV.1 Data Availability

a) The availability of data on private forests is significantly lower than on public forests. A lack of information can be observed notably in the PFO subclass/ sub-category level (individual/family owners, forest industries, private institutions) and on socio-economic issues. The availability of data highly differs among countries; however, there are no significant regional differences. Data are best available for Finland and France, as well as for the “young” PFO sector in Slovenia and Slovakia. Good data were received from many other EU member states. Insufficient data were notably reported from the Czech Republic, Cyprus, Germany, Iceland and Serbia.

b) Data are more easily available on the superordinate level (PFO total, public forests total), on area and management status, and on holding structure (except for small holdings). Basic forest inventory data (growing stock, annual increment) are also more easily available.

c) Demographic information on individual owners (gender, age) is hardly available, as well as data on the social background (knowledge, motivation, objectives). Insufficient data was received on small-sized holdings, on volume and value of forest products (notably on private forests) and value of non-wood forest products (NWFP). Data on illegal logging were either estimated or not available.

IV. 2) Analysis

a) The total share of public forest area from the 23 surveyed countries amounts to 50.05%, of private forest area to 49.55% (Table 2). Other ownership (land where ownership is not defined, land that belongs to indigenous or tribal people) amounts to less than 0,36%. There is a great variance of ownership structure among the countries. For example, Austria, France, Norway, Slovenia and Sweden feature a PFO sector that accounts for more than 75% of the total area, where as Poland and Bulgaria exhibit a PFO share of less than 20%. Seven MCPFE countries had no private forestry to report by the time of the enquiry launch.[7]

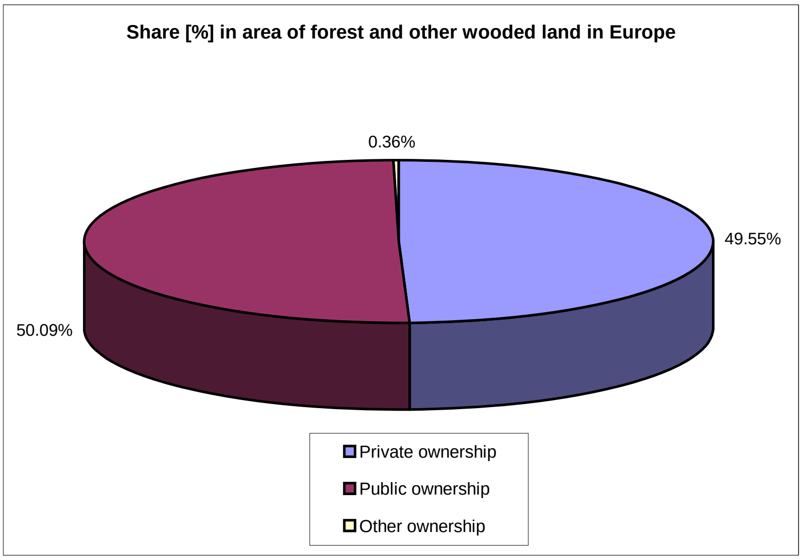

Table 2: Share [%] in area of forest and other wooded land (23 countries)[8]

b) In the majority of countries, the holding structure remained stable for the last 15 years. Compared to TBFRA-2000, the PFO enquiry results show that in the Central and Eastern European Countries (CEECs) there have been large shifts in ownership structure. 12 CEECs reported a process of restitution and privatisation within the last 15 years. While this process is nearing completion in most countries, it is still ongoing in Romania, Slovakia, and Serbia.

c) An assessment of the PFO holding structure reveals that, in the majority of countries, more than 73% of private forest holdings are smaller than 3 ha in size (Table 3).[9] The relative share of size classes differs, however, significantly among European countries, notably among the countries in transition. On a total European level, small holdings have a low share in area. Holdings smaller than 3 ha account for approx. 9% of the total area of holdings (Table 4). Twelve countries reported that fragmentation of private holdings represents an enormous problem and hinders sustainable forest management (SFM). [10]

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[7] According to FRA 2005, this is the case for Belarus, Georgia, Holy See, Malta, Moldova, Russia, and Ukraine.
[8] This data was reported in the PFO Enquiry, mostly for the year 2005, by the following 23 countries: Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Finland, France, Germany (forest area only), Hungary, Ireland, Latvia, Lithuania (forest area only), Netherlands, Poland, Romania, Slovakia, Slovenia, Sweden, United Kingdom, Iceland, Norway, Serbia, Switzerland.
[9] This calculation was based on 7 countries for which this data on the total number of holdings according to size classes was completely available: Austria, Belgium, Bulgaria, France, Hungary, Latvia, Lithuania.
[10] Bulgaria, Cyprus, Finland, France, Hungary, Iceland, Latvia, Lithuania, Poland, Romania, Slovakia, Slovenia.

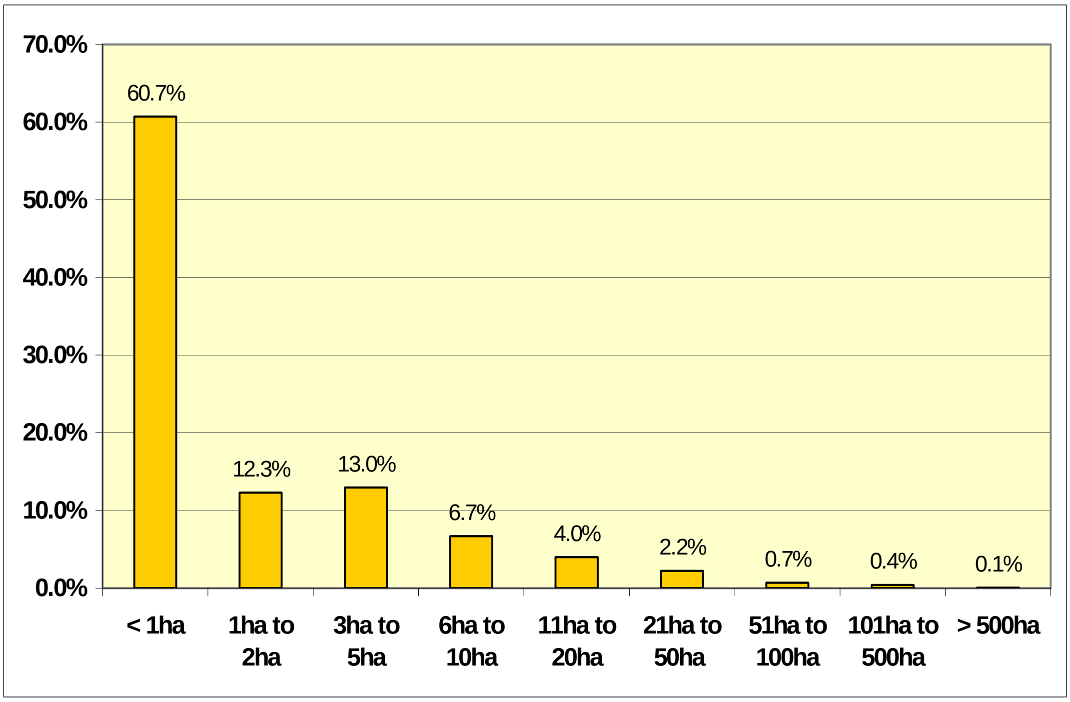

Table 3: Total number of holdings [%] according to size classes (9 countries)[11]

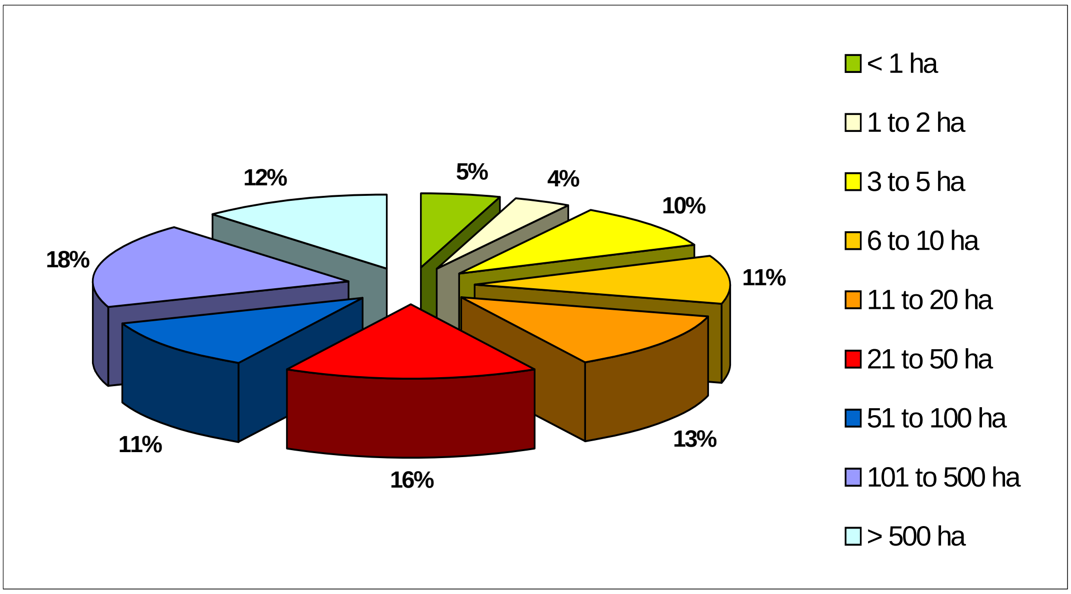

Table 4: Share (%) of size classes [ha] in total area of holdings (8 countries)[12]

d) The analysis of utilization percentage (gross annual increment / annual fellings ratio) exhibits differences between private and public forests (Table 5). In private forests, the utilisation rate is higher in three (Bulgaria, Finland, France,) of the assessed 11 countries. In the rest of the assessed countries, the forest yield intensity is higher in publicly owned estates. This

[11] This data was reported by the following 9 countries: Austria, Belgium, Bulgaria, France, Hungary, Latvia, Lithuania, Slovakia, United Kingdom.
[12] This data was reported by the following 8 countries: Austria, Belgium, Bulgaria, France, Hungary, Latvia, Slovakia, United Kingdom.

underlines the need for enhanced efforts to mobilizing private forest owners and to stimulating wood utilisation and sustainable forest management.

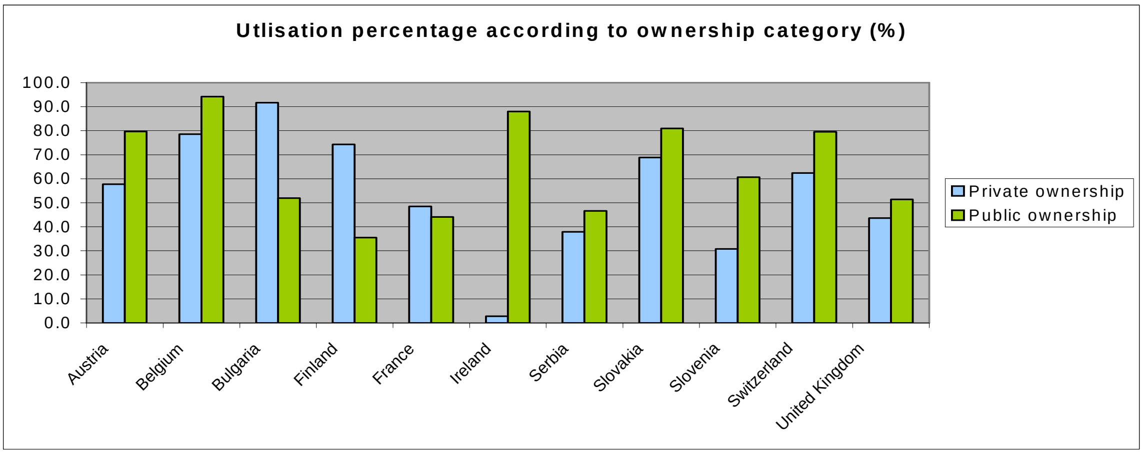

Table 5: Utilisation percentage according to ownership category (%)

e) A vast majority of European countries features a large share of owners above 60 years of age (Table 6). Consequently, many forest holdings will be inherited and new owners will arise whose attitude and motivation towards forestry is uncertain. Eight countries reported data on the trend of residence of individual owners. Six countries indicated an increasing number of urban owners[13], where as only two countries reported no changes[14]. In addition, a large share of individual owners is occupied outside the traditional agricultural / forestry sector (Table 7). This might affect the owners' attitude and knowledge concerning forest management.

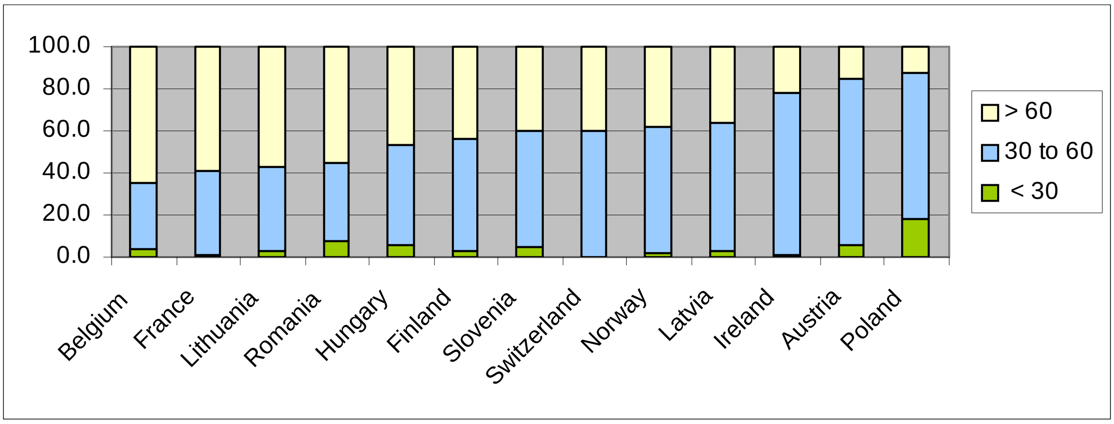

Table 6: Relative share of age classes (%) among private forest owners

[13] Austria, Finland, Iceland, Norway, Poland, Sweden
[14] Czech Republic, France

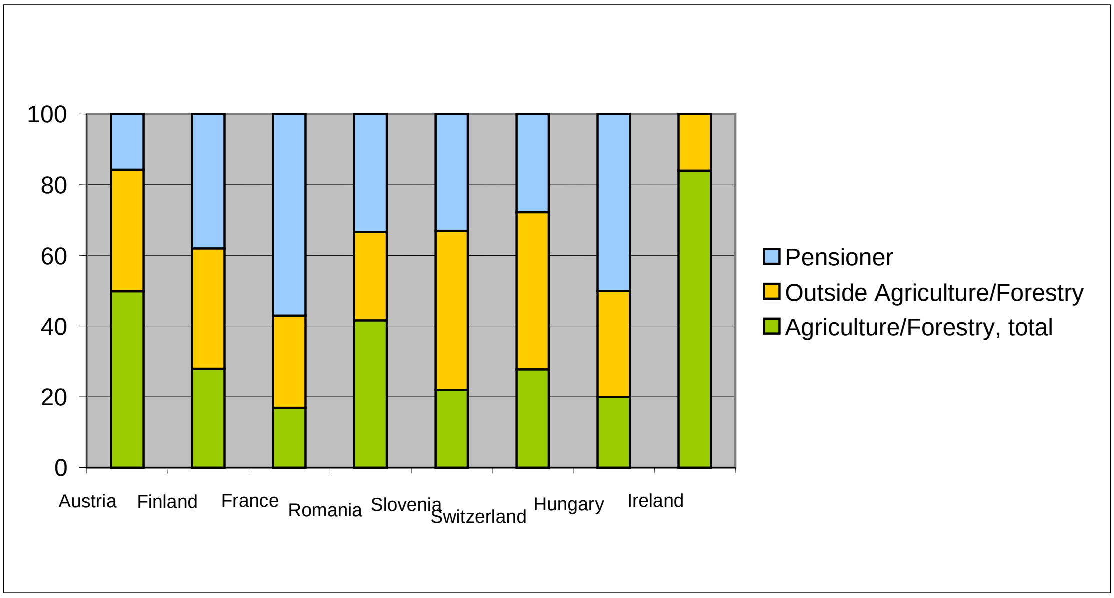

Table 7: Field of occupation of individual owners (%)

In gender terms, private forests are mainly owned by men (Table 8). There is a significant lack of data on this aspect, more than 50% of the countries have not reported data.

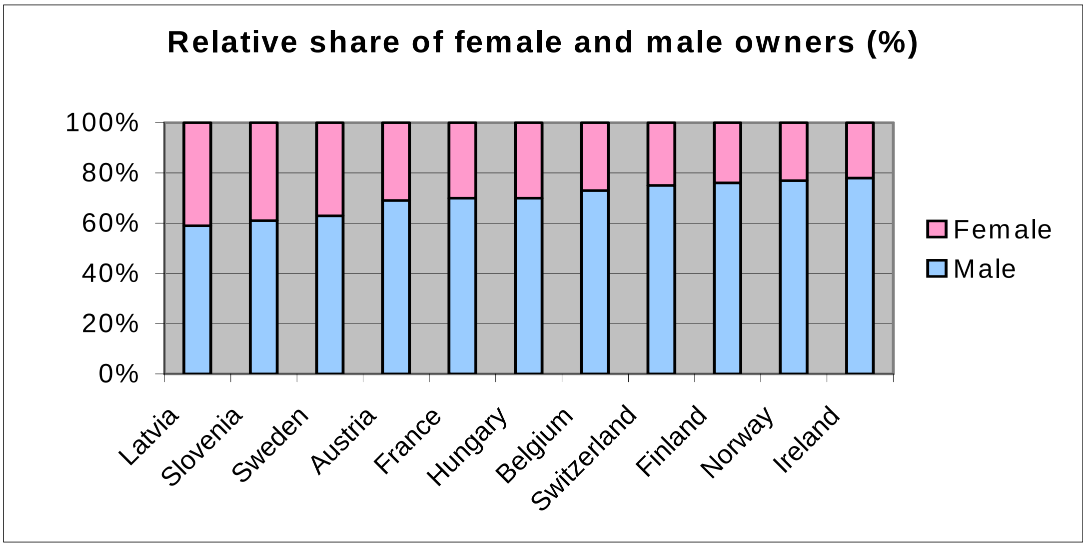

Table 8: Relative share of female and male owners (%)

f) General trends in the PFO sector which can be observed are an increasing area of forests and other wooded land (FOWL) and an increasing number of owners. The urbanisation and ageing of owners will continue to affect the nature of forest ownership in Europe. In the CEECs, the process of restitution/privatisation will presumably be completed within the upcoming five years.

V. CONCLUSIONS AND OBSERVATIONS

a) Twelve countries reported that fragmentation of properties and small-scaled holding structure are major problems in the PFO sector. Small-scale forest ownership is often barely profitable and a large number of owners can complicate the integration of knowledge, infrastructure and management activities. Thus, local and regional cooperation among owners, e.g. in forest ownership associations is crucial. In January 2007, during the workshop on "Mobilizing Wood Resources"[15] the issue of the small-scaled PFO structure was discussed and it was recommended that forest owners should be empowered to form clusters, by facilitating cooperation and servicing professional units such as cooperatives.

b) The workshop recommendations stress that special attention needs to be paid to the millions of small-scale forest owners, especially those created by restitution programmes in several transition economies. As the process of restitution/privatisation takes place during a rather short period of time, many new owners may arise whose attitude and motivation towards forestry is uncertain. Providing information and educational programming to ("new") forest owners is encouraged so that they can take informed decisions about forest management. Forest owners could in particular benefit from enhanced capacity building among owners, both public and private.

c) Further information on private forestry is needed, to validate and complete preliminary findings, determine trends and identify best practices. Forest owners play a key role for sustaining the productivity of European forest as well as for satisfying the increased demand for wood resources in light of climate change policies, rising energy prices and the thrive for energy security. The participation of the private forestry sector is crucial for the utilization and additional mobilization of wood resources, whilst respecting principles of sustainable forest management.

For additional information, please contact:

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[15] The workshop held on 11/12 Janurary 2007 was organized by UNECE/FAO together with the MCPFE Liaison Unit Warsaw, FAO, the Confederation of European Paper Industries (CEPI), EFI, and the Joint FAO/ECE/ILO Expert Network, to address the question whether Europe's forests can satisfy the increasing demand for raw material and energy under SFM. More information on the workshop and its outcome is available at: http://www.unece.org/trade/timber/workshops/2007/wmw/mobilisingwood.htm#top