MANAGEMENT OF STATE-OWNED FORESTS IN BULGARIA
FOREST RESOURCES

Forest areas - 4,180 million ha
Total afforested area - 3,811 million ha
State Forest areas – 3,173 million ha
Broadleaved forests - 69.5 %.
Total volume - 644 million m³ standing volume
Distribution of timber volume by tree species -
Coniferous - 44.6 %, Broadleaved - 55.4 %
Average annual increment - 14.4 million m³
Harvested timber in 2013 – over 6.76 million m³
Distribution of forest areas by type of ownership

- **State Forest Territories (70.09%)**
- **State Forest Territories, managed by Ministry of Environment and Waters (4.10%)**
- **State Forest Territories, managed by University of Forestry (0.27%)**
- **Municipal Forest Territories (11.95%)**
- **Forest Territories, owned by private physical persons (10.20%)**
- **Forest Territories, owned by private legal persons (0.79%)**
- **Forest Territories, owned by religious communities (0.55%)**
Law of Forests
/promulgated in 1997, abrogated in 2011/

NATIONAL FORESTRY BOARD
WITHIN THE MINISTRY OF AGRICULTURE AND AGRARIAN REFORM

• Responsible for the management of the State Forest Fund (SFF) and for the financing of the activities in the SFF
• Control activities over all forests and lands within the forest fund:
  - forest reproduction;
  - use of timber and non-timber forest products;
  - forest protection and guarding;

16 Regional Forestry Directorates – legal entities, regional bodies of NFB

• State forestry Units
• Manage the state forest fund;
• Forest protection and guarding;
• Control of the activities implemented in lands and forests within the Forest fund
Law of Forests
/promulgated in 1997, abrogated in 2011/

• 2007 – NFB is transformed in State Forest Agency (SFA) under the Council of Ministers

• 2008 – State Forest Units are created for the management of State Forest Fund – state trade enterprises in accordance with the Commerce Act

• Mixed financing – State budget and incomes from trade of goods and services

• 2009 – SFA is transformed into Executive forest agency under the Ministry of agriculture and foods;

• April 2011 the new forest Law came into operation
Law for Hunting and Protection of the Game
promulgated in 2000/

STATE GAME BREEDING STATIONS (SGBS) ARE ESTABLISHED
– BODIES OF NFB

- Implement the functions of the State Forest Units according the Law of Forests
  - For protection of game diversity;
  - For protection of gene pool in the country
  - State Hunting Enterprises are directly subordinate to NFC
- 2002 – SGBS are state trade enterprises in accordance with the Commerce Act

- Mixed financing – budget, National Financial fund “Bulgarian forest”, own incomes form sale of goods and services

- 2007 – NFB is transformed in State Forest Agency (SFA) under the Council of Ministers

- 2008 – SGBS transform to State hunting units with same legal statute

- 2009 – SFA is transformed into Executive forest agency under the Ministry of agriculture and foods;

- April 2011 the new forest Low came into operation
Strengths and weaknesses of the management model

**Strengths**
- Unified forests administration
- Lack of division in the forestry staff
- Clear rules for subordination and internal control
- State Forest Agency – independent administration under the Council of Ministers
- Financial stability – first-rate operator with budgetary financial resources
- Public recognition
Strengths and weaknesses of the management model

Weaknesses

- Insufficiently developed rights and obligations of the licensed foresters

- Lack of independent control of the management activities

- Lack of equality between forest owners

- Numerous amendments in the forest legislation

- State Forestry Units – administrative structure and commercial operator

- Lack of transparency
New Law of Forests
/promulgated 2011/

Some major reasons for the change in the forest management style were:

- Internal need for change in the forestry college
- Image of the college to the public
- Need for introduction of modern management models and relationships with the owners of private forests
- Independent from the budget management of the state forests;
- Regional plans, Ecosystem services, Branch associations, Education and qualification, Access to forest territories etc.
ORGANIZATIONAL STRUCTURE

MINISTRY OF AGRICULTURE AND FOODS

EXECUTIVE FOREST AGENCY

16 Regional Forestry Directorates

Specialized Territorial Units

6 State Forest Enterprises

165 local units – State Forest Units and State Hunting Units
Executive Forest Agency

The state policy in the Forest management is implemented by the Minister of the agriculture and foods through the Executive Forest Agency

Structure of Executive Forest Agency

- Central administration
- 16 Regional forest directorates
- 11 Nature park directorates
- other specialized territorial units - Seed Control Stations; Forest Protection Stations; Experimental Stations; Poplar Station; “Gora” Forestry Magazine

- Mainly control functions
- No responsibilities for the management and protection of forest territories
- Coordinate, organize and inform
- Participate in International projects and in the work of the advisory bodies of the European Commission
State Enterprises

6 enterprises had been created for the management of the forest territories

Scope of work:

- Implementation of forest management plans for state-owned forest areas;
- Implementation of hunting management plans in the state hunting units and in the state forestry units;
- Implementation of maintaining and/or restoration activities in the state-owned forest areas, when they are prescribed in the Protected areas management plans;
- Organization and implementation of the activities for protection of state-owned forest areas;
- Organization and implementation of erosion control activities;
- Maintenance of ecosystem diversity and protection of biodiversity;
- Organization and award of contracts for designing and construction in state-owned forest areas;
- Planting of new forests on agricultural lands;
- Protection of forest territories – state ownership

- The activities are implemented either by the forest enterprises or by contracting
- Up to 25% of forest activities could be done by State Forest Units
- 100 % - by State Hunting Units
State Forest Enterprises

• Two-level structure – headquarters and local units (branches) – or 165 State Forestry Units and State Hunting Units
• Management bodies of enterprises: the Minister of Agriculture and Food, the Management Board of the Enterprise and the Director

• For the preservation of state assets and property, protection provisions have been introduced - a ban on Enterprises to perform business transactions with forest areas, to carry mortgages and betting on them, to set up trade companies and to participate in them, a ban on opening insolvency proceedings and privatization.

• To ensure financial stability and ensure investment target two funds:
  • "Investments in forests " – formed by part of the purchase price of timber and non-timber products
  • “Reserve" - formed from part of the profit after tax
Timber use in 2013 г. - 6 796 000 cub. m

- държавни гори 4 825 (72%)
- общински гори 776 (11%)
- гори на физически и юридически лица 1 037 (15%)
- други 158 (2%)
Strengths

- Separation of the control functions from the economic functions in the forest sector
- Financial independence and stability
- Increase of salaries of a big part of the forestry staff
- New possibilities for investments in infrastructure and technologies
- Target funds
  - Fund “Investments in forests” – over 55 millions BGN available in the beginning of the year, as they are spent only for afforestation, purchase of forest areas, erosion control activities, forest roads and infrastructure;
  - Fund “Reserve” – it is spent for covering of losses generated within the current or the previous years
- New possibilities and responsibilities for the free-licensed foresters
- Possibilities for competition between State forest enterprises
- New relations within the sector – regional planning, ecosystem services, regulated access to forest areas etc.
Weaknesses

- Division in college
- Significant differences in salaries
- Incomplete separation of functions within a single administration
- Establishment of atypical forestry regions of activities for each of the State Enterprises
- Loss of relations between the control and management entities
- Divergent decisions within the 6 State Enterprises towards the partners in the forest sector
- Inability to provide real oversight and control over the 6 DP
- Unequal division and capabilities of the 6 DP
- Determination of atypical areas of forestry tradition DP
Challenges

• Need for legislative changes
• Lack of experience in long-term contracting for assigning forestry activities and timber selling;
• Doubts in partners for lack of transparency
• Fair pricing
• Ensuring a strong and fair competition
• Protection of local users
• Improvement of relations with national professional /branch organizations;
• Assessment of public-private partnership in hunting;
• Payments for ecosystem services
• Implementation of EC Regulation 995/2010 by State Enterprises
Opportunities and prospects

• Sustainable balance of forest resources utilization
• Nature oriented sylviculture, increase of the protective forests and HVCF
• Improved forest infrastructure
• Increase of certified forests
• Ensured financing for afforestation and tending of forest plantations in state forests
• Participation in European programmes for afforestation of new forests
• New National strategy and Strategic Plan for the development of the forestry sector
• Increase of the annual harvesting
• Possibilities for establishment of new independent Forest agency under the Council of ministers
MINISTRY OF AGRICULTURE, FOOD AND FORESTRY
EXECUTIVE FOREST AGENCY

THANK YOU FOR THE ATTENTION!

Dipl. eng. Valentin Chambov
vchambov@iag.bg