

10. FORESTRY

OVERVIEW

Forestry is not dealt with as a separate topic under Chapter 27. It was only partially analysed during the screening process within the field of nature protection. However given that forestry has a major impact on many areas of the environment (nature protection, climate change, etc.), we have decided to give an overview of this area in our report.

There are two regulations governing trade in timber and timber products which are significant for the EU accession process: the FLEGT Regulation¹¹⁵ regulating tropical timber product import into the European Union and the EUTR regulation¹¹⁶ governing trade in timber and timber products. Serbia's readiness to apply these two regulations is currently assessed as very low. One of the major shortcomings of the forestry sector in Serbia is lack of a functional strategic document.

Although the state of forests in our country is generally assessed as satisfactory, there are numerous problems, some of which are: the high percentage of coppice forests (65%), widespread practice of illegal logging, lack of data on forests in private ownership and poor control of their use.

The interested public is largely shut off from the decision making in the forestry sector, and it is conducted mainly within a narrow circle of relevant institutions.

An integrated approach to forest management is still underdeveloped in Serbia. Other ecosystem services, except for the direct use of timber, have been neglected. What is necessary is better integration and cooperation with other sectors, especially because forest management has a very important role in mitigating and adapting to climate change.

LEGISLATIVE FRAMEWORK

In Serbia today, practically, there is no strategic document defining the forestry policy in an integrated way. The Forestry Development Strategy of the Republic of Serbia¹¹⁷ was created in 2006 and has not been revised since, and it is difficult to say that it has ever been put into practice. The reason for that is in the fact that an action plan defining funding sources and the dynamics of the implementation of this Strategy has never been made. Forestry in Serbia is regulated by the Law on Forests¹¹⁸. This Law envisages the development of the Forestry Development Program with the Action Plan, as well as the plans for the development of six forest areas. None of these documents has been created, nor adopted.

115 Council Regulation (EC) No. 2173/2005 of 20 December 2005 on the establishment of a FLEGT licensing scheme for imports of timber into the European Community

116 Regulation (EU) No. 995/2010 of the European Parliament and of the Council of 20 October 2010 laying down the obligations of operators who place timber and timber products on the market

117 "Official Gazette of the Republic of Serbia", No. 59/2006

118 "Official Gazette of the Republic of Serbia", Nos. 30/2010, 93/2012 and 89/2015

The forestry area is not dealt with separately in Chapter 27; it was only partially analysed during the screening process within the area of nature protection. The subject of this analysis were the two EU directives: the FLEGT Regulation¹¹⁹ regulating tropical timber product imports into the European Union and the EUTR regulation¹²⁰ governing trade in timber and timber products. Regarding the regulations, Serbia has no obligation to transpose them into national legislation, but the screening clearly pointed to the fact that Serbia currently does not have the capacity to implement these two regulations. The relevant institutions are not defined, nor is there a clear control system that would make the implementation of the EU regulations possible.

EU strategic documents in the field of forestry (EU Forest Strategy from 2014, the Green Paper on Forest Protection in the EU) are not discussed within the professional community in Serbia.

IMPLEMENTATION OF LEGISLATION

The umbrella institution for forestry policy in Serbia is the Forest Directorate of the Ministry of Agriculture, Forestry and Water Management. All publicly owned forests are run by public enterprise companies (PE Srbijašume, PE Vojvodinašume, public enterprises managing national parks, municipal public enterprises, etc.). State forests account for about 50% of the forests in Serbia, the rest of them are privately owned.

The management of state-owned forest is mainly conducted in accordance with the planning documents envisaged by the law, which is not the case in private forests. Data that is necessary for adequate forest management is generally not available for forests in private ownership, and therefore the control of the utilisation of these forests is very poor.

Illegal logging is a prominent problem in private forests, but it is also present in forests run by public enterprise companies. It is estimated that at least 17,000 cubic meters of wood are illegally cut in Serbia every year¹²¹.

The scope of forest utilisation is defined by a forest management basis, which is developed for each management unit. The basis is adopted for a period of 10 years. This document contains an assessment of the state of forests, and prescribes management measures as well as the scope and dynamics of their implementation. Although it is a document that fully defines the use of public resources, the participation of the interested public is at a very low level, and it is usually reduced to formal public insight.

It is difficult to talk about the justification of the planned scope of utilisation (logging) that is determined, precisely because of the closed decision-making process that is mostly

119 Council Regulation (EC) No 2173/2005 of 20 December 2005 on the establishment of a FLEGT licensing scheme for imports of timber into the European Community

120 Regulation (EU) No 995/2010 of the European Parliament and of the Council of 20 October 2010 laying down the obligations of operators who place timber and timber products on the market

121 Data available at: https://www.cins.rs/srpski/research_stories/article/zbog-illegalne-sece-godisnje-nestane-hiljade-hektara-suma-

entrusted to the beneficiary of public resources (public enterprises). The general condition of the state-owned forests is usually assessed as satisfactory, although certain problems have been expressed, such as the high presence of coppice forests (close to 65%).¹²²

Through the existing institutional framework, forest management is focused on the utilisation of wood while other forest benefits are largely neglected. First of all, this refers to the benefits forests offer in terms of their importance for mitigation and adaptation to climate change and other ecosystem services they provide.

The first national forest inventory in Serbia was made in the period 2003-2006. The second round of which has been envisaged as part of the project "Contribution of Sustainable Forest Management to a Low Emission and Resilient Development", the implementation which will begin in 2018 and will be financed through the GEF program.¹²³

The forest areas managed by PE Srbijašume and PE Vojvodinašume are certified in accordance with the FSC¹²⁴ standard, but a national standard for certification has yet to be developed. The preparation of the Provisional National Standard with the support of FSC is in ongoing.

Forestry has a major impact on other areas within Chapter 27, primarily on the protection of nature. It is certain that a significant part of the future Natura 2000 ecological network will include forested areas. Current management practices do not allow adequate application of the protection measures necessary for the protection of species of European concern (priority species defined by the Habitats Directive and the Birds Directive). Also, the current practice of forest management does not take sufficient account of the aspect of climate change, i.e. it does not allow for integrated management in order to mitigate and adapt to climate change.

FINANCING

The basic instrument for financing sustainable forest management in Serbia is the Budgetary Forest Fund. The funds of this budget fund are mostly collected on the basis of fees for the use of forests and forest land. About 70% of the funds collected through these taxes are directed to the Budgetary Forest Fund, and around 30% is paid to the municipalities where the forests are located. There are no mechanisms to ensure that funds allocated to municipal budgets are used to the benefit and protection of the forests. Most of the funds from the Budget Forest Fund are directed to measures for protecting and improving state-owned forests. In 2017, a total of 750 million dinars¹²⁵ was spent from the Budgetary Forest Fund. The largest part of these

122 Banković, S., Medarević, M., Pantić, D., Petrović, N., Šljukić, B., Obradović S. (2009). The Forest Fund of the Republic of Serbia – The State and the Problems, The Faculty of Forestry Gazette, No. 100, pages 7-30. Available at: <http://www.doiserbia.nb.rs/img/doi/0353-4537/2009/0353-45370900007B.pdf>

123 The data about the project are available at: <https://www.thegef.org/project/contribution-sustainable-forest-management-low-emission-and-resilient-development>

124 Forest Stewardship Council

125 Rulebook on determining the annual program of execution of Budgetary Forest Fund of the Republic of Serbia in 2017, "Official Gazette of the Republic of Serbia", No. 13/17.

funds (about 65%) was allocated to the construction and reconstruction of roads, while about 15% of the funds was allocated for forestation.

RECOMMENDATIONS

Legislative framework

- It is necessary to develop a national strategic document (development program) for forestry that will offer a long-term vision of the development of this area in Serbia with precise sources of funding and implementation dynamics. This document must take into account the relevant EU documents in this area (EU Forest Strategy, Green Paper on Forest Protection).
- Develop an institutional framework with clearly defined responsibilities for the implementation of the EUTR and the FLEGT Regulations.

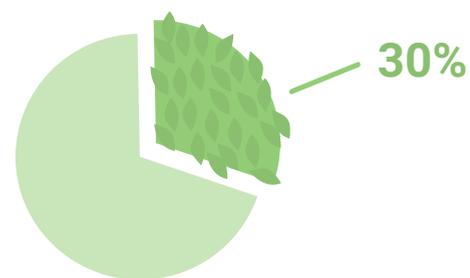
Implementation of legislation

- Strengthen the capacities of the relevant institutions with regard to the implementation of EU legislation in the field of nature protection (Habitats Directive and Birds Directive).
- Strengthen the capacities of relevant forestry institutions regarding EU integration in the field of climate change and energy.
- Enable greater public participation in the development of critical documents governing the use of forests (including the basics of forest management).
- Acknowledge and promote other ecosystem services provided by forests, except wood, and use them in forest management planning.
- Improve the quality of information on privately owned forests and increase control over their use.
- Improve cooperation with other sectors (nature protection, energy, climate change, water management) with the aim of integrated management of forest ecosystems.

Financing

- Direct the funds of the Budgetary Forest Fund to a greater extent towards financing of the protection and improvement of forest ecosystems providing services of general interest.

FORESTRY



Forested area in Serbia



Forested area in the EU



17,000 cubic meters of wood is cut illegally in Serbia each year. This corresponds to an area close to **100** hectares,

A green illustration of a forest floor with several tree stumps of varying heights scattered across the scene. The background is a solid green color.

which means that **ABOUT 100 HECTARES** OF FOREST ARE CUT ILLEGALLY in Serbia every year.