



Forestry

Overview

The previous period did not bring significant progress in the field of forestry. In 2020, there were no significant activities on preparing and adopting strategic and legal documents in this area.

The Forestry Development Program, as the basic strategic document provided for under the Law on Forests, has still not been adopted, nor is there available information on when its development and adoption will take place.

Serbia's readiness to implement two EU regulations relevant to forestry, the FLEGT regulation (EC, 2005) regulating the import of wood products into the European Union and the EUTR regulation (EU, 2010) regulating trade in wood and wood products, are still assessed as low, and an adequate legal and administrative framework for implementation is lacking.

Serbia has a relatively low forest area, about 30%, and in this respect lags behind the countries of the region and Europe. Despite ambitious goals for increasing forest coverage, no significant progress in afforestation is evident. On the contrary, in the last few years, there has been a decrease in the area afforested annually.

The unfavourable condition of forests is, among other things, reflected in the high proportion of coppice forests. Other problems in forest management and protection include the widespread occurrence of illegal logging, lack of data about privately owned forests and poor control of their use.

Weak and inefficient participation of the public and stakeholders continues to characterize the decision-making process in the forestry sector. Cooperation between the forestry sector and other related sectors is also still inefficient. Slow and inefficient afforestation is precisely the result of the absence of these processes.

Although modern forest management must be based on an integrated approach, there are still problems with this in Serbia. Numerous forest functions and the contribution of forests to society and the economy remain underestimated.

Strategic and Legislative Framework

In 2020, there were no activities related to developing strategic or legal documents in the field of forestry.

The Forestry Development Program is defined by the Law on Forests (NARS, 2010) as a basic strategic document in the field of forestry. Support for the development of this program has been provided through international projects in which the Forest Administration has participated. These include the project *Contribution of Sustainable Forest Management to a Low Emission and Resilient Development*, which is financed through the Global Environmental Facility and *Support to the Development of the National Forestry Program of the Republic of Serbia – Improvement of Forest Resources*, which is implemented with the support of the Government of Germany. There is no publicly available information about the activities implemented through these projects, or the activities related to developing the Forestry Development Program. Given that there are no clear indications of progress, it can be assumed that the delay in adopting the Forestry Development Program has continued. In a recently published Audit Report (SAI, 2020), the State Audit Institution identified the lack of a strategic document in forestry and recommended that the Forest Administration of the Ministry of Agriculture, Forestry and Water Management take action to adopt a Forestry Development Program.

There were also no significant changes in the legal framework for forestry, with the exception of adopting routine, periodic acts.

There was also no significant progress in 2020 in preparing for the implementation of the FLEGT regulation¹ and EUTR regulation², the two most important European regulations in the field of forestry. The assessment from the previous screening therefore remains valid, i.e. Serbia still does not have sufficient capacity to implement these regulations. The main problems relate to the vaguely defined competencies of the institutions involved in the production and trade of wood products, as well as the absence of a clear system of control that would enable the implementation of these regulations.

Strategic EU documents in the field of forestry – the EU Forestry Strategy (EUCOM, 2013) and the Green Paper on Forest Protection (EUCOM, 2012) – have never been sufficiently studied by the professional public in Serbia. With these documents about to expire, the EU has announced the development of a new forestry strategy, which should be based on the new Biodiversity Strategy until 2030. This is an opportunity to incorporate the principles and goals of European strategic documents into the national strategic documents that are being developed.

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- 1 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
 - 2 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

The Implementation of Regulations

According to the data published in the publication *Šumarstvo* (SORS, 2020), there are 2,240,000 ha of forests in Serbia, of which about 52% are privately owned. Compared to 2014, the forest area has increased by about 500 ha. The total volume of wood is estimated at 362,000,000 m³, of which about 176,000,000 m³ (about 49%) is in state forests.

The average volume per hectare in Serbia is about 160 m³ / ha, which is approximately equal to the average volume in Europe (163 m³ / ha). The average annual growth in the forests of Serbia is estimated at 4 m³ / ha; annual growth is higher in state forests (4.7 m³ / ha) than in private forests (3.6 m³ / ha). The average annual growth in Europe is 3.9 m³ / ha, and 4.5 m³ / ha in the EU (*Forest Europe*, 2015).

According to data from the Republic Geodetic Authority (RGA 2020), in 2019, 3,370,000 m³ of forest was cut in Serbia, most of which were deciduous trees (2,930,000 m³), with only 435,354 m³ of conifers. According to data from the Forest Administration, the degree of forest utilization, i.e. annual felling as a percentage of annual increment, is about 50%. This is below the European average of 66% (*Forest Europe*, 2015).

In late 2020, the State Audit Institution published a Report on Afforestation in Serbia (SAI, 2020), which reviewed key data on forestry and identified the main shortcomings and problems. Afforestation in Serbia is still low and amounts to only 29.1%, which is far below the target for afforestation according to the Spatial Plan of the Republic of Serbia from 2010 to 2020 (NARS, 2010a), which was set at 41.4%. It is also significantly lower than the European average, which is about 40%.

According to the Report, in the period between 2014 and 2019, there was a decrease in the volume of afforestation in Serbia. The afforested area fell from 992 ha in 2014 to 614 ha in 2019. The major challenges for improving afforestation are the numerous administrative problems and the harmonization of different interests in land use. Currently, the process of determining appropriate sites for afforestation is very slow.

The poor state that forests are in is reflected in the fact that the proportion of coppice forests is about 65%. Coppice forests, which are formed by spontaneous regeneration from stumps after felling, are considered to be of poor quality, in both ecological and economic terms (wood quality).

The lack of appropriate planning and control of the use of privately-owned forests continues to stand out as one of the significant problems in Serbian forestry. Most private forest sections are small and often have unresolved ownership relations, which makes management very difficult. Adequate data on private forests still does not exist, and control over the use of these forests is inadequate. The association of private forest owners, and the professionalization of its work in forestry, has long stood out as a possible solution for improving the management and use of private forests. Unfortunately, this process is progressing too slowly for significant change to be observed. According to the Law on forests, local self-governments are obliged to adopt forest management programs for their territory that should include all private forests, which have a large number of owners. According to the State Audit Institution (SAI 2020), only one third of local self-governments have adopted such programs, which means that most private forests are managed without a planning basis.

Development Plans for seven forest areas defined by the Law on Forests have also not been developed yet.

The State Audit Institution report (SAI 2020) also noted the existence of 40,000 ha that is registered as belonging to other state bodies and local self-government bodies, which, according to the Law on Forests, cannot use forests. Adequate forest management is practically impossible in these areas. Also, there are about 86,000 ha of forests listed in the cadastre as agricultural land; it is unclear how this forested land is managed.

The administrative line with Kosovo is a critical area for illegal logging in Serbia, and is notable in both earlier data from the Forest Administration and the State Audit Institution report (SAI 2020). In the past 20 years, about 640,000 m³ of illegally felled wood has been recorded in this area. According to estimates from the Forest Administration, illegal logging is more present in private forests. According to data from the PE Srbijašume, republished by Istinomer (2020), in the first half of 2020 alone, about 2,600 m³ of illegally felled wood was recorded in state forests. In the same period, about 7,000 m³ of illegally felled wood was recorded in the area of the administrative line with Kosovo. According to the State Audit Institution report (SAI 2020), in the period between 2010 and 2020, 87,735 m³ of wood was illegally cut down in Serbia, which represents material damage of more than RSD 475,000,000.

During 2020, there were no additional public consultations in the process of drafting a temporary national standard for forest certification. At the time of writing, the standard had not been adopted.

Harmonization and cooperation between the forestry sector and the nature protection sector is of particular importance for the implementation of the EU Habitats Directive and the Birds Directive (forming the "Natura 2000" ecological network). In the previous period, through the EU IPA project for "Natura 2000" in Serbia, the Forest Administration and the Ministry of Environmental Protection cooperated in exchanging data on forests in order to establish the European Ecological Network "Natura 2000" in Serbia and for further management of the network.

Last year, the *Forests in Women's Hands* project (Fem4Forest) was launched, involving 14 partners from ten countries and funded through the INTERREG Danube Transnational Program. The aim of the project is to strengthen the forestry sector at local, regional and interregional levels, through increased involvement and training of women, supporting their equal presence and competencies in the market. The project partner for Serbia is the Faculty of Forestry of the University of Belgrade, and the strategic partner is the Forest Administration.

Financing

In 2020, the Regulation on Determining the Annual Program for the Use of the Budgetary Forest Fund in the Republic of Serbia in 2020 initially allocated RSD 800,000,000 to the Budgetary Forest Fund (GRS, 2020). The later revision of the Regulation (GRS, 2020a) reduced the total amount to around RSD 600,000,000. The reason for the budget reduction is the austerity measures resulting from the situation due to the COVID-19 pandemic. All items in the Budgetary Forest Fund have been reduced, but to different extents. Forest protection funds have been reduced by more than 50%.

As in previous years, the largest part of the budget for 2020 was allocated for the construction and reconstruction of forest roads, at around RSD 250,000,000. RSD 65,000,000 was allocated for afforestation, and only RSD 13,500,000 for forest protection..

Recommendations



Strategic and legislative framework

- 1.** Develop a national strategic document (development program) for forestry that will provide a long-term vision for development in this area in Serbia with an action plan with defined sources of funding, competent institutions and implementation dynamics. The document must take into account the relevant documents currently being developed at the EU level (Biodiversity Strategy to 2030 and other documents from the Green Agreement package).
- 2.** Develop an institutional framework with clearly defined responsibilities for the implementation of the EUTR and FLEGT regulations.



The Implementation of Regulations

- 3.** Strengthen the capacities of the competent institutions for the implementation of EU legislation and international agreements in the field of nature protection (Habitats Directive and Birds Directive, CITES Convention, etc.).
- 4.** Strengthen the capacities of the competent institutions in forestry regarding EU integration in the field of climate change and energy.
- 5.** Enable effective public participation in the development of key documents regulating forest use (including basic forest management).
- 6.** Evaluate and promote ecosystem services provided by forests, other than wood, and use them in forest management planning.

7. Improve the quality of data on privately owned forests and strengthen control over their use.
8. Improve cooperation with other sectors (nature protection, energy, climate change, water management) in order to integrate forest ecosystems.
9. Establish an inter-ministerial working group that will coordinate the efficient development of afforestation plans.



Financing

10. More funding from the Budget Fund for Forests should be directed towards financing the protection and improvement of forest ecosystems that provide services that are beneficial to all.

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FORESTRY

THE SPATIAL PLAN FOR THE REPUBLIC OF SERBIA ENVISIONS INCREASING THE FORESTED AREA OF THE COUNTRY FROM THE CURRENT 30% TO 41%.



At the current rate, it will take

**OVER
1,400 years**

to achieve the goal

* **Source:** Report on Auditing the Purposefulness of Operations. Afforestation in the Republic of Serbia. State Audit Institution. 2020. <http://dri.rs/php/document/download/3467/2>



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