



Supporting Small Forest Holders in the Balkan Countries as Drivers for the Development of Forest Certification Schemes



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1. Introduction/General background

Sustainable forest management (SFM) is a concept accepted worldwide as a way of securing future forests resources from extinction, providing raw materials, home for wild species, shelter and food for indigenous tribes, securing water and soil resources and fulfilling their multiply roles in the life of present and future generations.

The Balkan Peninsula is famous for its mountain and forest areas shared among many countries. Forest resources on the Balkans are very diverse, from alpine type of forests to boreal and Mediterranean coppice forests. Ownership is also very different, from 10% of private forest in Macedonia, around 50% in Kosovo, Montenegro and Serbia to 70% of communal forests in Albania.

Forest management and forest economies are also very specific for every country. In Albania it is mostly focused on supplying households with wood for heating and other forest products as well. In Macedonia and Kosovo forest economy is also mostly focused on wood for heating and limited processing of timbers and exporting of wood products, while in Croatia, Bulgaria and Serbia forest economy is more developed towards wood products export. Forest economy that is deriving income for rural households through NTFP's collection and trade is often underestimated and badly organized, while tourism activities in forest areas (biking, hiking or other tours) is in its initial phase of development. Increasingly forests are recognized as important securing environmental services regarding water management, erosion and flood control in the region. All of this gives importance to secure sustainable forest management on the Balkans.

Forest certification in the Western Balkans was mainly applied at state forests by the rules and procedures prescribed from the Forest Stewardship Council – FSC. This scheme was accepted mainly at large forest economies, such as State forests economies/units. Hence in Slovenia, Bosnia, Croatia, Serbia and Bulgaria there are already FSC certified forest areas in state ownership. Until now forest certification has not been applied to small forest holders or group certification in the Balkan, except in Slovenia where by the group certification over 45.000 ha of private forest are certified by the PEFC requirements.

General knowledge and understanding on forest certification is partly known on the Balkans among all forest stakeholders. Deeper and proper understanding on the process of certification, SFM standards and certification, governance bodies e.g., however, is often not known.

There is a lack of initiative on the Balkans to start up the process of forest certification at the level of smaller forest holdings that usually belongs to private and communal forest owners and users as well as properties of religious communities. There are several reasons for this. At first there is a lack of knowledge at small forest holders about the process of certification and they see it as a complicated and distance process, although acknowledging that it would be overall beneficial for them. Most of family forest (private and communal) owners associations on the Balkans were recently established and mainly dealing with property issues and management rights. Hence they were not focused much on forest certification. Forest economy in family forests is not on a scale as state forests, those are all small forest holders, but that fact should not exclude them from the certification processes. Forest certification for family forest owners needs initial support to have better understanding and increased engagement especially on opportunities that are given through group certification procedures. Government actors are less focused on this since their interest is more focused on large scale State forest and its

certification, even though the state forest management would also benefit greatly from PEFC certification. There is a need to facilitate the process, exchange of knowledge and to encourage small forest holders on the Balkans to act jointly as drivers for forest certification, especially focusing on the needs for small holders and group certification.

2. Forest certification processes and schemes worldwide

Forest certification as a process have its roots at the global efforts to recognize the fact that human economy development affects nature and environment worldwide. Many NGO's, Government Institutions, Research and Education organizations have started to discuss and to draw set of international documents dealing with the issue of human economy development and its influence on planet Earth.

As result of these initiatives, on the UN conference on environment and development (UNCED) also known as RIO 1992 Earth Summit, more than 172 government representatives and over 2.400 representatives of NGO's have contributed in many discussions and brought important documents that paved the road for forest certification worldwide: Agenda 21, Rio Declaration on Environment and Development and Statement of Forest Principles, as well as UN Conventions on Climate Change, Biological Diversity and Combating Desertification.

As result of the global processes, in the framework of Ministerial Conference for Protection of the Forests in Europe (MCPFE) in Helsinki 1993 definition for sustainable forest management was adopted: *"The stewardship and use of forest lands in a way and at a rate that maintains their productivity, biodiversity, productivity, regeneration capacity, vitality and their potential to fulfil now and in the future relevant ecological, economic and social functions at local, national and global levels and that does not cause damage to other ecosystems."*

In Lisbon 1998, 6 Pan-European criteria for SFM were developed, while in Vienna 2002 the process has brought a pan-European C&I set, which consists of 6 criteria and 35 quantitative indicators (describing the forest status and changes) as well as 17 qualitative indicators (describing the national forest policies, institutions and instruments towards SFM).

There were other similar processes worldwide defining what SFM is as North America's Montreal Process and Central and South America's Tarapoto Process.

As a results of global efforts for SFM, there are two certification systems developed worldwide. They are both voluntary based mechanisms that provides opportunity to forest owners, forest managers and forest industry to prove that their products has been produced from responsible managed forests. Meanwhile, possession of certificate from any of this global certification schemes also refers to low risk supply on illegal wood and assist to forest stakeholders to fulfill regulations that forbid placement of illegal wood on the markets: EU Timber Regulation (2010), USA Lacey Act, Australia regulation etc.

Forest certification in the recent years has become a marketing tool as well. There are number of countries in the world where in the public procurement procedures it is required to use only certified wood. That is determining the future of forest certification.

2.1. Forest Stewardship Council (FSC) scheme

FSC is a global NGO established in 1993. The main reason for establishment of this organization was disappointment at part of the business, environment and other representatives to stop deforestation worldwide, especially after the RIO Earth summit in 1992. In Toronto 1993 initiative group set out voluntary, market-based approach that would improve forest practices worldwide.

Currently, under FSC principles for SFM there is total certified area of 193,864,364 ha in 82 countries and with number of 1,483 certificates for forest management. At the same time, there are over 32,000 Chain of Custody (CoC) certificates issued by FSC in 122 countries around the world.

FSC guiding principles (Source: FSC webpage) are: *“As a mission-driven, member-based organization, FSC is committed to the following principles in both our organizational values and practices. Fully integrated into our operations, they will serve as a lens for evaluating our actions, from our internal planning and programme delivery to how we manage our relationships.”*

FSC Values: (Source: FSC Global Strategy 2015-2020)

- Embrace Diversity – FSC creates an environment of inclusiveness, tolerance, fairness, and mutual trust. This includes a recognition that peoples of the world live under a range of cultures and paradigms related to forest management, all of which deserve understanding and inclusion.
- Conserve Nature – FSC ensures that our activities serve to protect and restore natural processes in a holistic manner, thereby maintaining and enhancing ecological functions and the productive capacity of ecosystems.
- Empower People – FSC promotes equitable participation in decision-making and the empowerment of workers, Indigenous Peoples, communities, smallholders, women and other under-represented groups.
- Realize Rights – FSC upholds and promotes protection and implementation of the internationally recognized rights of people and communities, including the rights of Indigenous Peoples, women, and workers. This is critical to our uniqueness.

FSC Practices: (Source: FSC Global Strategy 2015-2020)

- Pursue Excellence – FSC leads by example, cultivating an organizational culture of continuous improvement, innovation, and efficiency.
- Demonstrate Impact – FSC monitors and communicates how well our work results in positive on-the-ground outcomes relative to our goals.
- Promote Forests – FSC educates and inspires people to understand their dependence on forests and increase their motivation to take positive actions that lead to meaningful change.
- Embody Credibility – FSC implements reliable, transparent methods of validating responsible practices, driven by integrity that is the essence of our promise.
- Sustainable Use – FSC promotes the responsible use of forests, forest products and ecosystem services based on continuous improvement and best available science, leading society toward the goal of forest sustainability.
- Surpass Norms – FSC provides solutions that go beyond the status quo and baseline policy conditions in forests, the forest industry and the forest products marketplace.

2.2. The Programme for Endorsement of Forest Certification (PEFC) scheme

PEFC is Global, not-for-profit, non-governmental organisation based in Geneva, Switzerland. It has been established in 1999 as European based initiative, while in 2004 first countries from other continents has joined to this initiative, so in nowadays it is a global FC scheme.

PEFC mission is “To give society confidence that people manage forests sustainably”.

PEFC is a voluntary mechanism promoting sustainable forest management providing independent, third party certification of good practices. It is alliance of national forest certification systems with global representation and an international Chain of Custody. PEFC is world's largest forest certification system and provider of 60% of the world's certified forest area with more than 300 million of certified forests all over the world and over 11.000 Chain of Custody certificates with steady growth of numbers every year.

PEFC family is compiled of 49 legal entities as National Governance Bodies for PEFC scheme. For four of them the process of assessment of national scheme is ongoing.

PEFC scheme was a choice for certification of many small forest holders in Europe and worldwide through implementation of group certification model with objective to decrease the costs for forest certification at small scale forest properties.

The essence of PEFC process is application of bottom up approach that allows for adaptation of local forest conditions and biodiversity, adaptation to local legislation and regulations, regionally similar level of requirements, consideration of forest owner structure and integration of the needs and expectations of local stakeholders.

3. Objective of the Survey

This Survey has an objective to present the current situation with forest certification on the Balkans especially at the countries where REFORD has national member organizations. The Survey will serve as a base for wider consultation among Balkan forest stakeholders and encouragement for many of them to start up with the processes of FC and to open new market opportunities for themselves.

It is obvious that in several Balkan countries (Bulgaria, Serbia, BiH, Croatia, Slovenia) the process of forest certification is developed and accepted among national stakeholders. While In other countries (Macedonia, Albania, Kosovo, Macedonia) the process is behind. Besides the fact that all countries numbered above have different natural, political (members and non-members of EU) and market conditions, the Study is aiming to understand different triggers for FC in the countries, but also to serve as a starting point for joint learning among forest actors on the Balkans, especially at the level of small scale forest holders. The past experiences have shown positive examples of cooperation among private forest associations and other forest stakeholders.

4. Methodology

The Methodology proposed for this Survey is containing of three parts. The first part was compilation of short Country report on the current status of forestry and forest economy, composition and importance of different forest stakeholders, Strategy and legislative framework and their influence on SFM and FC, existing FC schemes and processes in the country.

The second part of the Survey is the interview with representatives of the 5 key stakeholders in the country. The interview was providing relevant views, comments and recommendations from the person that have in depth knowledge on the forestry and forest certification in the country.

The third part of the Survey is the conduction of 30 questionnaires per country with representatives from the forestry stakeholders and not necessary on high positions. All questionnaires are with the same structure and we intended to have one that will fit to all respondents in order to have easier procedure for matching of results. Also we wanted to hear bit more what is the opinion on FC on a lower management level as worthwhile for the results of this this Study and its objectives. The participating organizations (REFORD network members) in the Survey have prepared list of relevant forest stakeholders they intend to deliver questionnaires.

After conduction of that phase, not all succeed to distribute the questionnaires as according to plan. In some countries there was resistance among some respondents, especially from policy makers level (Albania, Bulgaria), so instead 180 respondents at the end we received 170. Since the difference from what was in the plan and what was executed was not too big, we estimated that we had enough to compile results as a starting point for discussion among Balkan stakeholders.

5. Survey results

5.1. State of forests in the Balkan countries

5.1.1. Albania

Albania has a total surface area of 28,748 km², with a population of 2,876,561 (INSTAT, 2017). Over 1.3 million people (46.5%, CENSUS-AL, INSTAT 2011) live in rural areas. Forest fund covers a high percentage in the country (some 60.5% of total surface). Forests and pastures area are crucial for the country economic development especially for rural areas where live over 46% of population and there is high dependency from natural resources.

The last Albanian National Forest Inventory (ANFI) was done in 2002. Data on forest areas, typology and production in the past have been based on estimates drawn from forest resources surveys conducted before the '90s. Therefore, the reliability of these national forest statistics could not be properly assessed, and there were several uncertainties about the forest area extent, its overall current productivity and its potentialities. The distribution of the forest in the different administrative units (districts) is quite uneven and forest types are strongly affected in their distribution by climatic and edaphic conditions, as well as by present and previous land use patterns (Source: ANFI report).

In addition, with changes made in 2016 with the transfer of the entire forest fund – except the protected areas – to municipalities, the data given below have to be reconsidered. Until other accurate data provided, these remain the official data in use.

Before 1990 all the forests were state-owned, but tenure regime started in early 90s changing state ownership to communal and private property. In 2017 the distribution of forests after the ownership is as following:

Table 1: Ownership form

Ownership form	Ha	%	Volume (m ³)	%
State forest	525,810	50.42	52,002,000	
Communal forest*	489,530	46.95	21,100,000	
Private forest	27,420	2.63	3,402,000	
Total forests	1,042,760	100	76,504,000	

*with adoption of the Law no. 48/2016, date 05.05.2016 “For some amendments and additions in the law no. 9385, date 04.05.2005” the term communal forests is not in use anymore and the figures provided above are changed. So far there are not accurate data for these changes, but according to an analysis made by National Federation of Communal Forests and Pastures of Albania, so far it is transferred 79.5% of the forest fund to 61 Municipalities.

Table 2: Management types

Management type	Ha	%	Standing volume (m ³)	%
High forests	454,090	43.55	57,575,000	67.97
Coppice	330,740	31.72	11,838,000	27.58
Shrubs	257,930	24.74	7,091,000	4.45
Total forests	1,042,760	100	76,504,000	100

Fuel wood is the main source of energy for heating in Albania. It comprises 45% of total energy demand (EESDC, 2008). After different studies done in Albania the trend of declined use of wood biomass in the 90’s and early 2000’s has stopped. Currently it is stabilised and even gradually increasing again.

What transpires from the energy strategy is that firewood consumption will remain on a high level. According to the so-called “passive scenario”, firewood consumption is expected to increase nearly 70% from 1999 to 2015 (Source: Illegal Logging in SEE and EE, REC 2010).

After the studies of INSTAT in Albania there are 710,000 households in total, of which 480,000 of them use firewood for heating.

Wood volume increment for the period 1990-2010 has negative sense decreasing by -11.1%. The volume for the period 1990-2010 is decreased by 25%. In 1985 the standing volume of forest was 145m³/ha, in 2010 it was 131m³/ha. In coppice forests it has decreased too. In 2010 it was 19m³/ha compared with 39m³/ha in 1985. (Source: “Gjendja e Pyjeve ne Shqiperi”, National Agency of Environment supported by WB). Only five regions (Diber, Elbasan, Korce, Kukes and Shkoder) can partly fulfill (10-21%) of the needs of community for firewood. (Source: “Gjendja e Pyjeve ne Shqiperi”, National Agency of Environment supported by WB).

Table 3: Trend of forest growth, 1990-2010:

Years	Total Volume of Forest 000/m ³				Periodic Changes	Total Volume of Forest 000/m ³
	1990	2000	2005	2010	000/m ³	%
Volume	82,697	82,820	79,883	73,545	-9152	-11.1

(Source: "Gjendja e Pyjeve ne Shqiperi", National Agency of Environment supported by WB)

From calculations made based on the ANFI data, the annual exploitation possibility is 1,152,000m³, of which 747,000m³timber and 773,000m³firewood. From analysis and studies results that the wood industry consumes around 350,000m³ timber, whereas consume by population for heating reaches around 1.5 million cubic meters. As shown even in the table below, the annual consume exceeds the annual exploitation possibility by around 700,000m³.

Table 4: Annual exploitation possibility

Forest category	Annual possibility volume (m ³)
High forest	675,000
Coppice	462,000
Shrubs	15,000
Total	1,152,000

Regardless the deficiency of firewood, the forestry sector in Albania used to export mainly firewood and charcoal reaching up to 70,000 m³ firewood or charcoal. From February 2016 with the adoption of the moratorium in forest the export of any kind of forest timber product is prohibited. The figures below are until 2012.

Due to a prolonged transition period, high unemployment rate and poverty especially in rural areas, and less developed agriculture in hilly-mountainous areas where agriculture land is scarce and other negative aspects such as corruption and irresponsibility of the sector-related structures, the forestry sector has been under a high pressure and now is facing lot of difficulties to meet the imperative needs of people for firewood, especially in high altitudinal areas. For changing this situation and giving to forests the time to regenerate, the Albanian Parliament in 04.02.2016 adopted the Moratorium in Forests for a 10-year long period (<https://www.parlament.al/wp-content/uploads/2016/02/ligj-nr-5-dt-4-2-2016-1.pdf>). Object of this law is prohibition of the activity of forest exploitation in the public/private forest fund in the entire territory of Albania, ban of timber trade, ban of unprocessed timber export, timber for construction, firewood, as well as charcoal. By this law is excluded forest exploitation for meeting the needs of inhabitants of municipalities for firewood through forest improvement operations. Thus, for a ten year period the forestry sector is only for domestic purposes not export oriented.

Whereas exports have relatively low levels, imports almost are fourfold higher and mainly sawn wood for the wood and construction industry and raw materials for the wood industry. The import in the most intensive years reaches averagely 200,000m³ sawn woods.

5.1.2. Bulgaria

The forest areas in Bulgaria at the end of 2014 are amounted to 4.202.015 hectares. State forest areas have an area of 3.090.732 ha (73.6%), of which 2.909.179 ha (69.23%) are forest areas managed by the state forest enterprises in accordance with Art. 163 of the Forest Act; 170.455 ha (4.06%) are forest areas managed by the Ministry of Environment and Waters (MOEW) (including the National Park "Rila", National Park "Pirin", National Park "Central Balkan" and reserves, and 431 ha of forest in areas along the river of Maritsa - managed by "Irrigation systems" on the map of restored ownership TP "DGS - Pazardzhik"); 11.098 ha (0.26%) of forest areas provided for management training and experimental forest holdings.

Non-State forest areas are an area of 1.050.942 ha (25.0%), of which 553.189 ha (13.16%) are municipal forest areas; 434.822 ha (10.35%) are forest areas owned by private individuals; 40.711 ha (0.97%) of forest areas are owned by private entities and 22.220 ha (0.53%) are forest areas owned by religious communities.

Agricultural territories acquired character of the forest within the meaning of Art. 2 para. 1 of the Forest Act and have an area of 60.341 ha (1.4%). (Data source: Annual report of Executive Forestry Agency published in 2015, <http://iag.bg>).

The total area of forest areas has increased by 21.894 hectares - from 4.180.121 hectares in 2013 to 4.202.015 ha in 2014. The increase is due to results of Inventory in 2013 - 2014 (territory of 19 forest and hunting areas) as well as afforestation and reforested agricultural areas which have acquired the character of the forest.

The forested area has an increase of 24 779 ha, from 3.811.126 ha to 3.835.905 ha and is result of reforested forest areas after forest fires or abandoned lands outside forest areas established between the last two inventories as well as the revaluation of forest areas not suitable in the inventory of forest areas in the nature of plants. There are also forest areas included that until now have been reported as agricultural land "temporarily managed by municipalities", and after the deadline under Article 19 of Law on Ownership and Use of Agricultural Lands have become municipal property.

Un-afforested areas decreased by 2.885 ha, and from 368.995 ha become 366.110 ha.

The forested area of coniferous forests decreased by 1.359 hectares. This decrease was due to the continued silence of mixed coniferous broad-leaved plants obtained after the establishment of coniferous plantations established by the inventory of forest and hunting farms in recent years.

Deciduous woods increased by 6.865 ha, which is a consequence of the inventory, conversion of coppices into high forests, re-evaluation of conifer cultures in which they occurred succession, ie predominance of deciduous trees caused by natural plant environment.

Coppice forests for conversion increased by 9.042 hectares due to the inclusion of plantations - forest areas attributable to now to category etc. "Void forests" afforested Territories and compromised coniferous plants (revaluation of their composition dominated coppice of deciduous tree species).

The area of coppice forests has increased by 10.211 ha.

Carry out an annual use of all forest areas amounted to 7.281.587 m³ standing pulp, which equates to 87.1% of the allowable cut (forest management project) of 8.357.638 m³ of standing. Of the total annual

use, 3.944.420 m³ of are from clear cuts (54.2% of total use and 85.5% of that in forestry plan) and 3.337.167 m³ from selective thinning (45.8% of total use and 89% of that in forestry plan).

2016 annual volumes are: (Data source: <http://iag.bg>)

Standing Volume in m ³	Category
8.117.254	Forest management plans
9.527.591	Allowable (planned) cut
7.873.772	Including industrial logging
8.448.074	Actually harvested volumes
6.814.310	Including industrial logging
199.493	Including dry and fallen wood
2.237.044	Including sanitary felling

5.1.3. Croatia

Total land area of the Republic of Croatia amounts to 56 594 km² out of which forests and forest land area account for 46%, thus making Croatia one of the countries with highest forest cover in Europe, while the share of forestry sector in GDP is 1.5%. According to the National Forest Inventory (2010), total size of forests and forest land area in Croatia is 2 580 826 ha, of which 1 987 799 ha (78 %) is state owned and the rest of 593 027 ha (22%) is privately owned. Majority of state owned forests are managed by Croatian Forests Ltd. company.

In Croatia there are two types of forest ownership - public and private. The exact amount of public and private forests varies according to the methodology, but generally 22% of total forest and forest land area is privately owned.

However, obstacles for forest management in private forests are small-scale forestry, poor cadastre and land registry, unsolved property rights in some cases. Additionally, private forestry development is slow due to insufficient road infrastructure, absence of open market, and missing management plans.

General data on forests in Croatia are given in table below:

FOREST IN CROATIA	STATE FORESTS		PRIVATE FORESTS	
AREA	1.987.799 ha	78 %	593.027 ha	22 %
WOOD STOCK	468.000.000 m ³	85 %	85.000.000 m ³	15 %
WOOD STOCK / ha	256 m ³ /ha		156 m ³ /ha	
ANNUAL INCREMENT	6,4 m ³ /ha		4,2 m ³ /ha	
ANNUAL CUTTING	7.325.000 m ³		1.087.000 m ³	
MANAGEMENT PLANS	1.987.799 ha	100 %	237.200 ha	40 %
CERTIFICATION (FSC)	1.987.799 ha	100 %	22.000 ha	4 %

Distribution of different forest types according to ownership:

FOREST IN CROATIA	STATE FORESTS	PRIVATE FORESTS
NATURAL FOREST	97 %	98 %
PLANTATIONS	3 %	2 %
HIGH FORESTS	78 %	68 %
COPPICED FORESTS	22 %	32 %
BROADLEAVES	74 %	77 %
CONIFERS	7 %	5 %
MIXED	19 %	18 %

Representation of main tree species according to ownership:

TREE SPECIES	STATE FORESTS	PRIVATE FORESTS
COMMON BEECH	37 %	21 %
PEDUNCULATE OAK	15 %	4 %
SESSILE OAK	8 %	13 %
HORNBEAM	8 %	15 %
BLACK LOCUST	1 %	10 %
SILVER FIR	7 %	14 %
SPRUCE	3 %	6 %

5.1.4. Montenegro

Forests of Montenegro covers, according to NFI 2010 (MARD 2013a) based on FAO forest definition, 826.782 ha or 60% of the country's territory. The forest coverage ranks Montenegro on the fourth place in Europe. If also other wooded land (OWL)¹ – mainly consisting of bare land - is added, the percentage raises even to 70% (964.262 ha). There is 675 thousands hectares (82%) of forests available for wood supply, there is 52% of state and 48% of private forests and OWL.

¹ OWL mainly contains forest bare land.

The growing stock of all forests and OWL amounted to 122 million m³ or 126 m³ per hectare in 2010. If only forests are considered, the growing stock amounted to 147 m³ per hectare. Private forests have much lower growing stock than state forests: 39% of the state forests' level only. The total annual volume increment of all forests was estimated at 2.9 million m³ or 3.5 m³ per hectare in 2010, from which 2.5 m³ million or 3.7 m³ per hectare in forests available for wood supply. Forests available for wood supply, and similarly also all forests, dominate on broadleaved tree species (by 59%).

According to general silvicultural form of forests available for wood supply, there is 51% of high forests and 49% of forests of low silvicultural (mainly coppice) form in Montenegro. The average growing stock of the high forests amounts to 252 m³ per hectare and to 62 m³ per hectare only in case of the low forests. There is 38% of growing stock accumulated in the diameter class up to 30 cm, 37% in the diameter class 30 – 50 cm, and 25% above 50 cm. In terms of silvicultural, i.e. potential forest quality, there is 17% of growing stocks of high, 29 % of average and 54% of low quality. In terms of technical quality of growing stock, there is 49% of better and 51% if lesser quality. In terms of forest openness, 71% of forests are considered as well (i.e. the skidding distance up to 500 m) and the rest (i.e. skidding distance from 500 – 5000 m) as badly open.

There is 6.5 m³ per hectare of standing and laying dead wood present in Montenegrin forests, or about 4.1% of growing stock.

Forest fires are the most serious impact factor, particularly in the Mediterranean and Karst areas, and amount to averagely up to 1% of FOWL annually.

According to a (not very certain) statistical survey from 2007 (ISSP/SNV 2008), 57% of private forest holdings fall under the category of up to 5 ha, 27% under the category from 6 to 20 hectares, and 13% under the category from 21 to 50 hectares. Based on the same survey, only two thirds of forest owners use their forests for harvesting, of which slightly more than half of timber volume (53%) is used for own needs (mainly fuel wood). Non-wood forest products (NWFP) are a permanent source of income for a substantial number (28%) of rural households.

The realized and registered annual wood harvest in the period 2011 – 2015 (MONSTAT 2016) in all forests of Montenegro amounted to 536 thousands gross m³ annually. This amounted to 0.9 m³ per hectare of forest. In terms of quality structure of harvested wood, about 54% is technical wood and 46% of fuelwood. Based on a special statistical survey from 2011 (MONSTAT 2012), the assessed fuelwood consumption and the registered processing of industrial wood, as well as of export of wood, the total wood consumption in Montenegro in 2011 amounted to 1.1 million m³ net, indicating the total wood harvesting of 1.2 million m³ gross. This figure indicates a very high level of illegal harvesting (196 % of the registered one in 2011).

Average annual value of wood assortments on forest *road* side in 2016 (Ferlin, 2017, currently in elaboration) amounted to 25.0 million € or 52 € per cubic meter (including VAT), which presents 0.7% of GDP. Officially, GDP for forestry is reported as almost 10-times lower (by MONSTAT). Corresponding income for the state budget from the state forests (mainly concessions) in 2016 was 5.6 million € or 13 € per gross cubic meter on the stump, and 0.35 million € from the tax for the private forest technical services for forest owners, giving 5.9 million € budget income in total.

In the last few years, a significant increase of (previously already high) export of round wood from Montenegro occurred, particularly to Albania, because of its ban on harvesting of technical wood. Thus,

the export of wood products in 2016 (MONSTAT) amounted even to 35 million €, of which 18.6 million € of sawnwood and 9.3 million € of raw wood. The last could be calculated as approx. 287.000 m³ of roundwood or 45% of the entire annual harvesting volume which is extremely high (and more than doubled in comparison to 2015). In the 2016, there was for 127 million € of import of wood and paper products, of which 63 million € of furniture.

There is no really a free, formal market of roundwood in state forests, because of concession system which is based on subsidizing of concession holders and obligations in the concession contracts requiring processing of harvested wood in their own capacities. Because of consequently low concession prices of wood (on standing), the prices of roundwood on the free market (mainly from private forests) are significantly lower than in neighboring countries.

5.1.5. Republic of Srpska (BiH)

The total area of forests and forest land in the Republic of Srpska (JPS "RS Forests ", 2011) by Official Cadaster data are 1.278.181 ha, or 51.7%, of which the surface of state forests is 999.956 ha or 78.23%, and private forests are 278.224 hectares or 21.76%. In the context of state forests, there are two national parks (20.744 ha) and industrial plantations (approximately 7.383 ha) (Government of the Republic of Srpska, 2012).

It should be noted that data from the forest inventory over large areas in the Republic of Srpska (2006-2009.) are differing significantly from the above data, in terms of a larger area under forest (similar to data found in other documents or papers), but these data does not specify the reasons of the current lack of official publication of results. According to unofficial information, it is considered that the area under forests is increased by approximately 300.000 ha.

Category of high forests in total forest area of the Republic of Srpska has the largest share (644.511 ha or 50.2%), while category of coppice forests has the participation of 353.454 ha or 27.6%.

The forest density is 51.7%, and the forest land per capita accounts for about 0.7 hectares. Forest cover in Federation of BiH is 57%. The total growing stock of forests of the Republic of Srpska is 227.391.300 m³. The total stock in forests owned by the Republic is estimated at about 184.545.000 m³ or 81.2% of the total stock of forests and in private forests is around 42.846.300 m³ or 18.8% of the total stock of forests.

The total annual increment in forests owned by the Republic of Srpska is around 5.134.000 m³, while in private forests is 1.161.400 m³. The average stock of all categories of forests owned by the Republic is 247 m³/ha, and in private forests 156 m³/ha. Forests owned by the Republic have on average a larger increment than private ownership of approximately 2,7 m³/ha. Private forests covers 22% of the area of forest land in the Republic of Srpska (RS) or about 11% of the total area of the Republic. Private forests are divided into 600.000 cadastral parcels in possession of around 340.000 owners.

The production potential of forests in RS has not been adequately investigated as related to current production effects in relation to production potential giving rise of forest types and the habitats on which they are located. About productivity of forests mostly used figures are on average volume (V) and the

average value of the current increment (iv). Average volume in the forests of the RS is 247 m³/ha, and the increment is 6,9 m³/ha and percentage growth is 2,8%.

The traditional method of managing forest resources in RS does not ensure sufficiently the implementation of everything that would be required to maximize the benefits of forests, from the ecological, economic and sociological aspects. This is particularly expressed when considering privately owned forests. Insufficient care from the forest owners leads to reduction of quality of existing compartments and diminished value of these goods for the owners.

A traditional approach to managing forest resources in RS is based on ecological (close to nature) postulates, which primarily reflects in the manner of planning and implementing operational activities in the forestry sector. Thanks to this, forest resources in RS still have a natural structure. Operational activities in managed forests (forests used for production) are implemented with a view to supporting the cycles of natural renewal of forest compartments, preservation of biological diversity and advancement of potentials for rendering generally useful functions. Wood industry has a special and strategic importance for the RS. It generates more than 16% of the total production by the manufacturing industry and 21,4% of the total export by the manufacturing industry, and employs 19,3% of all workers employed by the manufacturing industry.

The wood industry generates the largest surplus in manufacturing industry's foreign trade (export import ratio was 446.38% in the first 6 months of 2014).

5.1.6. Macedonia

Total area of Macedonia is 25.713 km². Forests and forest land are taking over 37% of the whole territory or 1.159.600 ha, from which 947.653 ha are only forests. The forests are important natural resource in Macedonia, supplying 75% of households with firewood, wood industry with raw materials, providing home and shelter for many wild species and fulfilling its important role in soil and water conservation. Forests are providing opportunities for income and employment of rural population, not only by wood products, but also through non wood products collection, tourism and recreation at the forests. According to the data from the Forest Strategy total wood mass in Macedonia is estimated on 74.343.000 m³, total annual increment is 1.830.000 m³ with mean annual increment per hectare of 2.02 m³. Annual available cut in Macedonia is estimated on 1.300.000 m³, but in last several years around 50% of it was used through formal harvesting. From these quantities 70-80 % of the production is fire wood and the rest is technical wood. In the terms of assignation, around 92% of total forest area has economical character, and around 8% are protected forests. Forests in Macedonia are in state and private ownership counting to 90.14% of state forests and 9.84% of private forests. Protected areas in Macedonia counts for almost 6 % from the total territory, divided by three National parks, and one zone of special purpose "Jasen" reserve.

The most dominant tree species are beech (*Fagus sylvatica*), and Oak species (*Quercus* spp.), that makes up to 90% of all native forest types. Forests are mostly covered with deciduous tree species, and conifers covers around 11% of all forests. Around 550.000 ha are categorized as low quality coppice forests, and around 390.000 ha are categorized as high forests, out of which around 140.000 ha are from forest plantations (artificially planted), mostly of coniferous tree species (*Pinus nigra*, *Cupressus sempervirens*,

etc). The natural conditions in Macedonia are different by location, climate, relief, geologic structure of terrain, hydrologic-hydrographic features and similar, enable existence and growth of great number of plants and animal species. Because of that, Macedonia belongs to countries with rich biodiversity. Traditionally, forests and forest land are most frequently understood by the society as resources which give material welfare, mainly wood and other wood products, medical plants, parts of plants, mushrooms, fruits and etc. Besides the economic function, forests have other various useful functions for the society as in: recreation of people, multifunctional function especially regarding safeguarding of biodiversity, water regime, oxygen production and environment quality and protection from erosion control and climate change etc. In recent years a great importance is given to the forests in reduction of carbon dioxide as one of gases which contributes to greenhouse effect. These and other important functions of forests are in correlation with their condition and structure, regarding to the area and quality. The economic, social and ecologic functions of the forests are of great importance for the sustainable development of the society and for life quality improvement, especially in rural and mountain regions.

In the initial years of independence, Macedonia got into a difficult time of transition when the reconstruction of the economic and political system had to be done quickly. The period of transition was additionally burdened by the complex social and economic situation. In this period forests were under pressure for satisfying the needs of population for heating in first place and the needs of forest related industry in general. The share of forestry in Macedonian Gross Domestic Product is around 0.3 - 0.5%, but if the multifunctional uses are valorized, the contribution will be bigger. The contribution of the forest industry (primary and secondary wood processing, furniture, paper and celluloses) is around 2.5 - 3%. (Source: Strategy for Sustainable Development of Forestry in the Republic of Macedonia, 2006).

5.2. Key forestry stakeholders on the Balkans influencing forest certification

5.2.1. Albania

The main forest stakeholders, who have legal responsibilities and duties to manage and monitor development of the forest and pasture fund in Albania and that can play a role in FC are enlisted as below:

Ministry of Environment

Ministry of Environment is the key actor to develop and propose policy, strategies and action plans for protection and administration of environment, forests and waters in function of sustainable development, improvement of life. It accomplishes its mission by participating, fostering and coordinating activities that lead to long-term developments and wellbeing, by protection nature and raising awareness of the public opinion.

The main directorates of Ministry of Environment are: Directorate of Water Resources; Directorate of Biodiversity and Protected Areas; Directorate of Environment; Directorate for Treatment and Forest Protection; Directorate of Priorities (the sector of sustainable development of natural resources is included in this directorate also). All this directorates are led by the General Director of Environmental Politics and Priorities.



Forestry sector is under jurisdiction of Directorate for Treatment and Forest Protection. This Directorate is responsible for the development of policies for the management of forest and pasture resources, forest and pasture governance, forest extension service, etc. Since January 2014 the local level of forest service is organized at regional level through the Regional Directorate of Forest Service, which is responsible for management of forests on regional level. There is no more Forest Service in district level as it was before January 2014.

Ministry of Environment is the main responsible institution for the full harmonization of the national legislation with EUTR 950/2010 and other related international legal agreements which ensure SFM and pave the path for FC and the control of implementation of the criteria and indicators through its subordinate structures. MOE through its specialized structures also has a leader role in developing training programmes – in partnership with potential donors – for building capacities of the newly forest structures at municipalities on forest management according to SFM C&I.

Ministry of Environment is also the main actor to initiate and develop programmes for encouragement of FC and raising awareness of public on customer influence in the market of forest products.

State Inspectorate of Environment, Forest and Waters (SIEFW)

SIEFW was established in 29 January 2014 by Council of Minister Decision no. 46. It is a state central institution in direct dependence of the Minister of Environment. SIEFW's mission is to guarantee enforcement of legal requirements pertaining to protection of environment, forests and waters. It is responsible for all respective inspection functions in the entire territory of Albania in line with the responsibilities of the responsible ministries for environment, forests and waters (waters are under Ministry of Agriculture). SIEFW is funded by the state budget and is organized at two levels, at central and regional level. The latter is for all regions of the country (12). This inspectorate is led by the Chair Inspector and has direct connection with the Minister of Environment.

National Environment Agency (NEA)

NEA was established as a restructuring of the Agency of Environment and Forests based on the law no. 10431, date 09.06.2011 "On protection of environment" and CDM no. 47, date 29.01.2014 "On definition of rules for organizing and functioning of the National Environment Agency and Regional Environment Agencies". NEA is a state central institution under the Minister of Environment and exercises its jurisdiction throughout the Republic of Albania through the head office of NEA and regional branches in 12 Qarks (Counties), which are the Regional Directorates of Environment. Based on the directive of the Prime Minister no.55, date 13.02.2014 it is approved the structure and personnel of NEA and regional branches which are under NEA.

NEA is funded by the state budget and its own sources, as well as has independence in decision making and accomplishment of its functions provided by law.

NEA among other functions manages the forest database, prepares and supervises the National Forest Inventory, develops the forest management plans, monitors forests in terms of enforcement of national and international obligations, ensures development and the transfer of technologies related to forests. Taking into consideration the current situation in forestry sector, but even the results from interviews and questionnaires forest inventory and cadastre along with adoption of the new law on forest and pastures were two of the main obstacles of FC. Therefore the role of NEA is of very high importance in facilitating



forest certification through realization of the national forest inventory, provision of accurate data on forest fund and monitoring of the Pan-European C&I.

National Agency of Protected Areas (NAPA)

National Agency of Protected Areas is founded by the Council of Ministers Decision No. 102, date 04.02.2015, aimed management, protection, development, expansion and operation of the protected areas, which today account for about 16% of the territory of Albania. NAPA is a state central institution under the Minister of Environment and exercises its jurisdiction throughout the Republic of Albania through the head office of NAPA and regional branches in 12 Qarks (Counties), which are the Regional Agencies of Protected Areas.

NAPA manages the network of protected areas and other natural networks as Natura2000 under management plans. NAPA monitors flora and fauna in these areas. It is responsible to design and implement the management plans for protected areas and to propose changes and improvements to the legal framework for management of the protected areas

Since the scope of this agency is the protected areas, it hasn't any significant role in FC process.

Immovable Property Registration Office (IPRO)

IPRO is a budgetary institution under the Ministry of Justice. It exercises its activity based on the law no. 33/2012 "On registration of immovable properties" amended by law no. 9/2016 "For some amendments and additions in the law no. 33/2012 "On registration of immovable property registration" and other bylaws which regulate its activity.

Object of the activity of IPRO is registration of the ownership titles and other real rights for immovable properties based on legal documents attesting the ownership on the immovable property, as well as preparation, retention and administration of the records of immovable properties, indicative maps of registration and documentation that attest the ownership right and other real rights on the immovable asset.

IPRO directs, organizes and controls the activity of registration of immovable properties throughout the territory of the Republic of Albania.

Since the forest fund recently transferred to the new municipalities is not registered at IPRO, it creates difficulties in the process of forest certification, as ownership titles are not in place. Therefore IPRO can play a very important role in FC to facilitate the procedures of the forest fund registration and cooperate closely with the responsible structures for forests in municipalities for overcoming the problems that might emerge during the registration process.

Municipalities (forest service under municipality)

Municipality is the basic unit of local government. It represents a territorial-administrative unit and a community of inhabitants. Local government in Albania function based on the law no. 8652, date 31.07.2000 "On organizing and functioning of local government".

With the transfer of the forest fund to municipalities, they have started to establish the structures responsible for forest and pastures in municipality. The new law on forest and pastures is not adopted yet, thus they operate with the law no 9385 "On forest and forest service" amended by the Law no. 48/2016, date 05.05.2016. The responsible structure for forests and pastures in municipality is a



specialized body of this service at local level with technical, management and extension attributes under the municipality.

This structure carries out technical and public services in the local forest fund and has the following duties: overall governance of forests and forest land within the territory of municipality; collection of the data for development of public and private forests; preservation of the biological balance in the local forest fund; retention and administration of all documents for designation and implementation of the management plans for the private forest fund within the administrative unit of municipality; to keep the data on diseases, pests and fires in municipality's forest and pastures; to prepare projects for investments in forest and pastures; to direct and supervise the works for improvement of the eroded areas and combating corrosion, landslides and avalanches within the territory of the municipality; to track, cooperate, harmonize and carry out research activities in forest and pastures; to survey the wild flora and fauna development and propose methods for protection of endangered or rare species; provision of technical support through consulting the private owners and community; organization of training and extension services for private owners; to design and implement training programmes for the staff of forest service for enhancing their professional skills, etc.

Regardless obligations and competences provided by law so far not all municipalities have established completely the structures for management of forests and pastures and the ones which have established the responsible structures already at a considerable extent have recruited staff with non-professional background. Therefore, municipalities as owners of the forest and pasture fund play a fundamental role in FC.

Faculty of Forestry

The Faculty of Forestry Sciences in Albania was opened in September 1959 in Tirana. It is one of the faculties of the Agriculture University of Tirana and it is the only faculty of this kind in Albania. The Faculty of Forestry Sciences has two departments: 1) department of forests which works in the field of forest management, wildlife management, erosion control, environment and forest policy and economics and 2) department of wood industry which works in general with the wood industry.

The main role of Faculty is education, scientific work and applicable work in the field of Forestry. Faculty of Forestry is main educational institution in the field of forestry. Science work as part of the Faculty contributes to development of new forest management techniques, new policies for forest and nature management, practical guidance for plants breeding and other relevant work related to forestry and nature conservation. It can play a significant role in FC and forest management according to SFM C&I by creating more space in its curricula (or introduction of a separate module) for the main international legal agreements dealing with forest certification and SFM.

National Federation of Communal Forests and Pastures of Albania (NFCFPA)

NFCFPA is a non-profit (non-governmental) organization that represents the interests of about 600 thousand users of forests and pastures of Albania. They are individuals, families or group of families who take care of about 30% of the forest land in Albania. NFCFPA brings together 11 Regional Federations of Communal Forests and Pastures and 240 Forests and Pastures Users Associations. It promotes the values of sustainable forests and pastures management as well as recognition of the use/ownership rights. Its mission is to address and convey the interests of forest and pasture users to accelerate the



decentralization, legalization of the ownership/use rights towards a sustainable management of forests and pastures. NFCFPA strives and bases its work to recognizing and ensuring the rights of ownership and use, based on the best traditions of forest and pasture management by rural communities to prevent further degradation of natural resources, for forests and pasture regeneration, conservation of biodiversity and increasing income for rural communities.

NFCFPA can play a significant role in FC especially in raising public awareness on SFM and in partnership with municipalities can prepare and develop training programmes for enhancing capacities of municipal forest service staff on SFM C&I and FC.

Communal Forest and Pastures User Associations

Communal forests (now municipal forests) are the most important sub-sector within forestry. In rural areas, there is a high dependency on natural resources, from forests and pastures.

After 1990 a further transition from a centralized system to free market economy took place focusing on the transfer and the usufruct of state forests and pastures to communes. In Albania, the main custodians of the forests and pastures are the traditional forest families who undertake continual, sometimes seasonal, land management practices. Now within the decentralisation process, Forests and Pastures Users' Associations (FPUAs) have been established in most of the communes (now administrative units), and more recently through the forest transfer process, the role of local government units (municipalities) have been strengthened. Regional Federations and a National Federation have been established and strengthened to represent the interests of communal forest and pasture users. The communal forest management remains at LGU and FPUAs, supported by their Federations and a State Forest Extension Service (now Municipal Extension Service).

Although the situation does not yet provide for ownership rights to individual forest and pasture users, this decentralisation of authority is expected to provide for greater recognition and respect more fully, the rights of the primary stakeholders, the traditional forest families as local custodians of the resources. The transfer process of forests and pastures in ownership of LGUs initiated and implemented by the Government of Albania is an impressive but complex process that requires many and profound changes in policy and legislation, and a huge amount of resources and external support.

The Forest and Pasture Users Associations (FPUAs) are local level organisations formed by the CFP users (men and women) of a certain area. These FPUA are coordinating the work with the users and support the implementation of forest management activities. As such the FPUA is directly involved CFP management in close cooperation with the LGU forestry staff. The regional and national Federations are representing the CFP and the FPUAs and provide services to the local level and represent at higher level. Till now Forestry Service is responsible for service provision but this is not functioning. National and regional federations are filling part of this gap providing services for FPUA and forest users. Within 5-10 years the amount of firewood which could be harvested from village/communal forests could be about 1.5 million m³ (500,000 ha village/communal forest at 3 m³/ha) which would cover a large portion of the current deficit. Protection of these forests against illegal logging has also proved more effective than in state owned areas. This reform must be supported with an appropriate policy and institutional and financial instruments encouraging both positive environmental impacts and income distribution effects. (Source: "Study on Illegal Logging Albania", The World Bank, 2008)

Private Forest Owners

Private forest area is small compared to state and communal forests. The surface of private forests is 27,420 ha (2.6% of Albanian forest) with standing volume 3,402,000 m³ (4.4%); standing volume/ha of private forest is 124 m³/ha which is higher than communal and state forests. There is an association of private forest owners which aims: to address the needs and interests of private owners; to help the members for management of private forests; to protect the forest and environment; to increase touristic and recreation values of forests; to disseminate promotion materials; etc.

In some areas the ownership is not clear; there is bureaucracy and corruption for fulfilling of documents for ownership and there are a lot of cases with conflicts and overlapping of owners.

5.2.2. Bulgaria

Ministry of agriculture and foods

Ministry of agriculture and foods is the biggest owner of forests in Bulgaria (69.23%)

The Ministry is organized in the Directorate General and Directorates which support the Minister of Agriculture and Food in carrying out its mandate providing technical activities and performing administrative services to individuals and legal entities. Minister of Agriculture and Food, hereinafter referred to as the "Minister" is the central body of executive authority that manages, coordinates and controls the implementation of state policy in the field of agriculture, rural development, forestry, fisheries and aquaculture and implements the state policy food safety in accordance with current legislation.

Executive Forest Agency

Executive Forest Agency is a legal entity funded - a secondary officer to the Minister of Agriculture and Food, based in Sofia. The Agency is an administration that assist the Executive Director in carrying out its mandate, provides technical activities and performs administrative services to citizens and legal persons. The Agency is managed and represented by an Executive Director. The contract with the Executive Director is signed, amended and terminated by the Minister of Agriculture after consultation with the Prime Minister.

CEO exercises his powers directly and through regional forestry directorates and specialized territorial units of the Agency. In exercising its powers, the Executive Director shall be assisted by the Deputy Executive Director and Chief Secretary.

State Forest Enterprises

State enterprises are responsible for management of forest areas – state properties that are not available to the departments or entities. There are six State Enterprises and they are divided by planning regions (i.e. Northwest, North Central, North East, Southeast, South-central, South-west). Each one of the state enterprises has its scope falling by territorial divisions, which are the smallest administrative-forest unit.

Short term contracts in state forests

The activities that can take place in forests are listed in the Forest Act and the regulation of activities in forests. By the regulation of activities in the forests, State forest units can offer logging and silvicultural activities by an auction. Similarly it is performed, and the yield of non-wood forest products.

Long term contracts in state forests

Under the legislation, state enterprises may conclude long-term contracts for logging for up to 15 years, but not less than 2 years. Also state enterprises may conclude long-term contracts for logging and yield of non-wood forest products for up to 10 years.

Under the Forest Act, the state can rent forest areas, but for a period no - longer than 10 years.

Ministry of Environment and Waters (MOEW)

Under authority and control of the Ministry falls 3 National Parks (Rila, Pirin and Central Balkan) with total area of 197.047 ha or 1.73% of the area of the country.

Association of municipal forests (AMF)

More than 210 the municipalities that have acquired ownership in "the restitution of forests and forest lands", "communal" property under the Constitution's equal to all other types of property considered to be a pressing need for existence of center to represent the interests of municipalities in front of the State in exercising their right to property. AMF is assisting the municipalities in the maintenance and management of their forests and is representing interest of municipalities in public space.

The Association is a legal non for profit entity, which are the responsibility and management of forests and lands in accordance with the Law on Forests.

In the association, members are 59 municipalities, or 22% of the municipalities in Bulgaria. According to the EFA, the total area of municipal forests is 546.931 ha, or 13% of forest areas in the country, with sales volume timber of 859.621 m³, or 10% of the total yield. AMF has an active participation in the processes related to the management of forests in Bulgaria.

National Association of owners of private forests "Gorovladeletz"

Association is uniting owners of private forests - natural and legal persons. The main objective of Gorovladeletz is protecting the interests of forest owners. Main activities are collaborating with local authorities and organizations, national and international programs and initiatives in the field of private forests for their sustainable development and improvement of ecological culture among the owners, participation and support at various levels, development and support in implementing regulations and decisions concerning planning, management, maintenance and use of private forests. It is member of working group in EFA.

Association of Bulgarian Users of Wood (ABPD)

Members are biggest users of wood in the country. The Association shall be registered under the Act for legal non-profit entities. It has participated in working groups EFA regarding the preparation of legal documents related to the forestry sector. One of the members of the association are Svilosa AD, Kronospan-Bulgaria, Kastamonu-Bulgaria, Sredna Gora AD.

WWF DCP



WWF has been active in Bulgaria since early 1990's. Conservation activities initially focused on the lower Danube and its tributaries, but have expanded into a comprehensive programme that includes work on forest protection and sustainable forest management (FSC system), protected areas, freshwater as well as agriculture and rural development.

In 2006, WWF established a registered organization in Bulgaria.

5.2.3. Croatia

Main national bodies involved in forest planning and management are **Ministry of Agriculture, Croatian Environment Agency** and the **Ministry of Environment and Energy**.

The Ministry of Agriculture with its forestry department is monitoring body and forest company Croatian Forests Ltd. is accountable to this Ministry. The role of the Ministry is quality assurance in terms of assessment and giving approval to forest management plans developed by Croatian Forests Ltd. Company.

Croatian Environment Agency is a state body who issues approvals for forest management activities in protected areas based on request by the **Ministry of Environment and Energy**.

Beside **Croatian Forests Ltd.** and its daughter company the **Forest Biomass Ltd.**, there is also the **Faculty of Forestry, University of Zagreb** who is involved in forest management activities, but only of special purpose forests used for education and training of students. The Forest Biomass Ltd. is a sister company of Croatian Forests Ltd. which produces and sells forest biomass (wood chips) from wood bought usually from Croatian Forests Ltd. and puts it on the market.

Forestry Extension Service as an independent agency existed from 2006 until 2010 when it became a unit within the Croatian Forests Ltd. company. From 2014 the extension services are moved again from the Croatian Forests Ltd. company to independent agency that was established as a result of merging forestry and agricultural advisory services in one agency. According to the statute of the established Advisory Service at the Ministry of Agriculture the role regarding forest management of private forests is: participation in forest fire protection in private forests, collecting the data about the forest fires, recommendations for new seedlings purchase and reforestations, preparation of documents for forest roads and forest fire brakes infrastructure building, organise and prepare public procurement for biological reproduction work according to the law regulation.

Establishment of the Forestry Extension Service (FES) in 2006 positively affected establishment of private forest owner interest associations over time. Some of the local associations were established even before FES. As a result of needs for representative of private forest owners on national level in 2008 **Croatian Union of Private Forest Owners Associations (CROUPFOA)** was established. Over time, CROUPFOA become important stakeholder in forestry in Croatia and on European level as they are member of Confederation of European Private Forest (CEPF):

Beside this important stakeholder in forestry are scientific and educational institutions (Croatian forest research institute and Faculty of Forestry) and sectoral NGOs (Croatian Forestry Society, Croatian Chamber of Forestry and Wood Technology Engineers, Association of Forestry in Croatian Chamber of Economy).

5.2.4. Montenegro

The most important stakeholders for the process of forest certification (FC) in Montenegro are the following:

The Ministry of Agriculture and Rural Development (MARD) with its **Directorate for Forestry, Hunting and Wood Industry (DFHWI)**, as the highest authority. The forestry sector of the DFHWI is sub-divided into the **Directorate for forestry (DF)** and the **Directorate for forest monitoring (DFM)**. Responsibilities on (operational) administration of all forests, management of the state forests and directing the management of private forests are within the **Forest Administration (FA)**, which is now an entity within the MPRR and, thus, much more dependent on the MPRR – DFHWI decisions as before, when it was a more independent entity within the Government. It has 400+ employees or 1 per 1800 hectares of forest (or 1450 m³ gross harvesting). The key role in decision making about the FC lies however with the MPRR – DFHWI.

The **Forestry Inspection Service (FIS)** – previously an organ within MARD – is now independently organized within the Administration for Inspection Services, as an organ within the Government of Montenegro. It has 10+1 forestry inspector only.

The **long-term** (7, 15 and 30 years) and **short-term** (1-year) **concession holders for state forests** (previously 7-years concession holders and other contractors) for utilization of state forests, and their **sub-(sub)-contractors** for performing the forest operations on the field. In 2016, the number of concession holders was as follows:

- a) a big one (Vektra-Jakić), holding 30-years concession in the current amount of 87.000 m³ of possible gross harvesting within the forest region of Pljevlja;
- b) 13 medium to small ones, holding 7 and 15-years concessions in the total amount of 130.000 m³ of possible gross harvesting;
- c) 19 small ones, among them one from the above second group, holding one-year concessions in the total amount of 128.000 m³ of possible gross harvesting.

These concession holders have no any forest management responsibility (they only utilize forests), which lies fully with the FA. From this aspect, they are also not carriers of the FC. From the other hand, the concession holders are most important actors in the FC, as without fulfilment of their conditions, no fulfilment of the FC requirements is possible. Regarding this and related to their capacity for SFM (based on the certification requirements), which is very low, it could be concluded that they are most problematic from the aspect of successful introduction of the FC into the Montenegrin state forests. Declaratively, however, the concession holders support and even continuously call for certification of the forests they utilize.

The Forestry and wood industry section (FWIS) within the **Montenegrin Chamber of Commerce (MCC)** where regular annual meetings (two to three) of the state forest sector representatives (MPRR-DFHWI and MPRR-FA), the forest concession holders and other wood industry representatives are conducting. The FWIS has only one employee (secretary) and apart the organization of the meetings has almost no

other influence on the forestry matters. In terms of the FC, it strongly (declaratively) support it, but its explicit position (the same as of the concession holders) is that the responsibility for forest certification (including financing of it) lies entirely with the state, i.e. the MPRR-DFHWI and the MPRR-FA. Both of them have until now been fully opportunistic regarding introduction of the FC, although the strategy for introducing it (the FSC) has previously been adopted by the Government within the Forestry Strategy.

The **Public Enterprise National Parks of Montenegro (PENP)**, which takes care also on protection and management of forests within the national parks. The PENP has unfortunately 2 forestry engineers only and its amount of harvesting, mainly sanitary felling, is very low (few thousands m³ per year only). From that aspect they are, unfortunately, a marginal player in terms of carrying out the FC, although they strongly support it.

The **Union of Private Forest Owners' Association of Montenegro (UPFOA)** and their local associations as members (5). The UPFOA is however now newly established (after previous one existing with support of SNV - Netherlands Development Organisation until 2011) and no capacity for acting actively in promoting the FC. That is why the UPFOA in this moment is of marginal impact in that regard. Its explicit position is however that it strongly support the forest certification, but the MPRR-DFHWI and the MPRR-FA should assure it, including for their (private) forests.

Forest related NGOs: there is actually no any active, specialized other forest-related NGO in Montenegro. Only one ecological NGO exist, which is more closely familiar with the FC (NGO of young ecologists from Niksic).

5.2.5. Republic of Srpska (BiH)

Stakeholders other than public forest administration and forestry companies are slowly improving their technical, managerial, and leadership capacities. Training activities were conducted by the Association of Forestry Engineers of FBiH focused on specific forest policy instruments (forest certification) and regulation (EU Timber Regulations), with the aim to improve the knowledge among forestry professionals. In combination with similar efforts, these activities generated some improvements in social capital in the forestry sector. Capacity improvements, however, have been largely focused on public forest administration and employees of forestry companies, with no substantial participation by non-governmental and private sectors.

In RS there is the **Forestry Department within the Ministry of Agriculture, Forestry and Water Management** responsible for forestry.

Public forest company "Šume RS" is managing the public forests in RS. It has a hierarchical organizational structure with headquarters, twenty five Forest Management Units (FMUs), a Research Development and Design Centre, which undertakes forest management planning, a Centre for Seedling Production and a Karst Management Centre. Each FMU has a sub account, although all financial flows essentially go through the headquarters.

Besides the above mentioned public forest companies, some public forests within the protected areas are managed by public institutions responsible for management of protected areas (e.g. **National parks**, protected landscapes etc.).

Private forest owners are managing around 20 percent of the forests in Bosnia and Hercegovina. They represent a major target group for any rural development activity, but also with lack of knowledge and skills, poor capacities, financial power, organization, and motivation to manage their forests.

5.2.6. Macedonia

The most important stakeholders for the process of forest certification (FC) in Montenegro are the following:

Ministry of agriculture, forestry and water economy (MAFWE)

Forestry sector in Macedonia is under jurisdiction of the Ministry of Agriculture, Forestry and Water Economy (MAFWE). Within the MAFWE the Forestry Department is responsible for forestry, which means responsible for drafting and implementing forest policy and strategy. The State Inspectorate of Forestry and Hunting is functioning as a body within the Ministry of Agriculture, Forestry and Water Economy, controls and supervises the enforcement of the Law on Forest, Law on Hunting and all other laws and law binding acts that are in the function of forestry and hunting. The Forestry Police as a sector within the Ministry of Agriculture, Forestry and Water Economy protects the forests in accordance to the Law on Forests. The Forestry Police is organized in forestry police stations in all cities in Macedonia, as part of the structures in MAFWE. In Forestry Police there are 366 employees (head of forestry police, deputy position, commanders of forest police stations, deputy commanders, forest police officers and administrative workers).

State Forest Company: Public Enterprise “Makedonski Sumi”

Management of state forests, excluding the protected areas (National parks, Jasen reserve and small protected areas managed by municipalities), is delegated to Public Enterprise “Makedonski Sumi” (PEMS) and is under direct responsibility of the Government of Macedonia. PEMS was founded on the basis of a Decision of the Government of RM in year 1997 (Official gazette of RM No. 65/97), and started to operate in 1998 as a legal successor of the former local enterprises for forest management. The General Director and Steering Board are appointed by the Government. The PEMS for its work refers directly to the Macedonian Government, but its legal work is monitored and controlled by the Inspectorate for Forestry. PEMS is responsible for overall management of state forests, silviculture, production of wood products, protection of forests, afforestation of bare land, management of non-timber forest products and support to other functions of forests.

PEMS is also responsible to administrate management of private forests as prescribed by the Law. Before 1998 this responsibility was given to branch offices of the Ministry and from 2009 to 2014 also to engineers with license. Since the end of 2014 PEMS has again full monopoly on administrative management of private forests, while the licensed engineers were excluded.

The PEMS in this time passes through various complex periods with numerous problems and contradictions which are more or less managed by the management team. The various negative

appearances in development of society and economy had an impact also on Forestry sector. Beside difficult economic conditions and inherited dubiousness, the PEMS operates as very important part of forestry sector in Macedonia. PEMS is following the political and economic changes in the country and it is trying to keep pace and adopt in accordance with the EU integration processes which demand more focus on other forest functions and sustainable forest management as well as integration in wider context where protection, biodiversity and concern for nature and environment are main priorities.

Faculty of Forestry

The Faculty of Forestry in Skopje was established in 1947. The main role of the Faculty is education, scientific work and applicable work in the field of Forestry. Faculty of Forestry is divided in several departments, working in the field of forest management, game management, torrent control, environment and forest policy and economics. Faculty of Forestry is main educational institution in the field of forestry in Macedonia. Science work as part of the Faculty contributes to development of new forest management techniques, new policies for forest and nature management, practical guidance for plants breeding and other relevant work related to forestry and nature conservation.

Ministry of Environment and Physical Planning (MEPP)

In the framework of the efforts aimed at integration into the modern trends of environmental protection in Europe and wider and as an important segment of the process of reforms, the Government of the Republic of Macedonia established the Ministry of Environment and Physical Planning.

Within the framework of the MEPP, State Inspectorate for Protection of the Environment is operating and it controls all legal and physical entities in the part of protection of the environment.

National Parks

National Parks are managing portion of state forests (protected areas) and they are under jurisdiction of the MEPP. The role of National Parks is to manage forests and wild life in protected areas, securing in first place other (non-productive) forest functions and nature conservation. National parks are also active in forest management and production of wood products. There are three national parks and one zone for special purposes proclaimed by the Law in Macedonia. Currently, around 6% of territory in Macedonia belongs to protected areas.

-The Pelister national park is the oldest, obtaining its status in 1948. Pelister National Park is located in the south-western part of the Republic of Macedonia, encompassing an area of 10.870 ha on the northern side of the Baba Mountain at altitudes between 900 and 2601m. From it 5.672 ha are forests where Molika pine (*Pinus peuce*) is the best known feature of National Park Pelister. Although Molika pine is also found in other mountains of the Balkans, one of the oldest and most compact forest communities can be found on Pelister. By walking on Pelister it is possible to find trees over 230 years old.

-The Mavrovo national park, covering an area of 11,750 hectares, was declared as such in 1949. In 1952 it was enlarged to 73,100 hectares. From the total area around 27,000 hectares are forests. It is presumed that it includes more than 1,000 types of higher plant forms, about a 100 of which are extremely rare or endemic to the Balkans. Within the boundaries of the national park 5 villages and thirty-seven settlements of four local regions were included. In frame of the field activities and

researches of the flora conducted in the Mavrovo national park it was confirmed that in the boundaries of the Park exists in total 404 species and subspecies of medicinal plants.

-Galichica national park is situated on the slopes of Mount Galichica, between Lake Ohrid and Lake Prespa and is covering an area of 25,000 hectares, from it 9,600 ha are forests. It was declared a national park in 1958. Nineteen different forest communities have been discovered here. This indicated that the diversity of vegetation types in this park is very rich, including several extremely rare types of flora.

-Jasen forest reserve was proclaimed in 1958. It covers an area of 31,127 hectares and stretches across the mountain massifs of Suva Gora, Suva Planina and Karadzica. This reserve comes into the category of special natural reserves protecting many species of flora and fauna and other natural rarities. In the boundaries of the forest reserve there are also three artificial lakes mainly used for production of electricity.

Private forest owners

The share of private forests in Macedonia at the moment is about 10% or around 94,000 ha, but there is an estimation that it will increase in about 12%, when the process of denationalization (restitution) ends. Importance of these forests is still undervalued and not recognized in economic value, but also not in their multi-functional benefits provided to whole community and rural development.

Private forests are owned by individuals (private forest owners) and their interests are represented through the National association of private forest owners (NAPFO). The religious communities are also forest owners and by the Law they are considered as private. In Macedonia there are more than 60.000 forest owners with more than 220.000 parcels of private forests. The average size of parcel owned by a forest owner is 0.4 hectare.

As organization representing private forestry, NAPFO is providing services to private forest owners, supporting them in advocacy, knowledge development and sharing information in front of national and international institutions/organizations. Services are provided in line to sustainable use of private forests and providing information on available support mechanisms for private forest owners. NAPFO has over 1.700 members registered in 25 local branches throughout the country.

Association of Industry wood processing and furniture production

Association of Industry wood processing and furniture production includes economic entities engaged in processing of wood sawmills, manufacturers of wood packaging, lumber, wooden items and furniture manufacturers in the country.

The Association of the industry of wood processing and furniture production, the chamber has approximately 50 commercial entities, significant representatives of the industry from all the above activities.

The Council for Sustainable Forest Management in Macedonia (The Council for SFM)

The Council for SFM was established in January 2016 as National Governance Body representing the national scheme for SFM in accordance to the rules of PEFC. The Council was accepted as national stakeholder member in PEFC Council in November 2016 and is currently represented with four representatives of forest stakeholders in the Assembly: Forestry sector representative from the MAFWE,

Forest Faculty, Chamber of Commerce and National Association of PFO in Macedonia.

5.3. Strategy and legislative framework concerning SFM and forest certification

5.3.1. Albania

In the Pan-European context, the first set of Pan-European Indicators for Sustainable Forest Management (SFM) had been developed in the early 90s' and experience has shown that criteria and indicators are a very important tool for European forest policy. Criteria and indicators were improved and adopted in Vienna in 2002 by the Assembly of Ministerial Conference on the Protection of Forests in Europe at expert level.

Even in the Albanian context, in the beginning of '90s the principle for sustainable forest management (SFM) has been the main driver of policy in forestry sector in Albania, especially introduction of the concept on criteria and indicators (C&I), developed as an important instrument to implement policies for sustainable management of forests in the entire world, however implementation in practice has not been duly applied or not applied at all.

In the cross-sectorial Strategy for environment of Albania 2015-2020 are envisaged legal and institutional improvements in the structure of ownership on forests and those related to forest governance, by reaching 80% of the compliance of legal acts with the legislation of EU in the field of forest and pastures. Regarding FC it envisages transposition of the Albanian legal framework with European countries related to mechanisms of timber trade from certified forests, as well as reduction of illegal logging and trade related to that.

5.3.2. Bulgaria

The concept of sustainable forest management is embedded in the development strategy of the forestry sector in Bulgaria. Also, it is listed as in the Forest Act and in regulations.

Activities related to the forest sector in Bulgaria comply with all requirements related to regulation 995/2010 and the requirements of the FLEGT and CITES. In the Forest Act says that all stakeholders must be certified according to forest certification standards, as is currently the standards imposed by FSC, 2018 (originally by 2016).

Many of the companies involved in logging are already certified by FSC CoC. Private forest owners are certified by the standards of FSC FM, or are in the process of certification the same. Generally - the majority of managed forests in Bulgaria are either certified (by the standards of the FSC, or are in the process of certification under FSC FM / COC). Many of the companies' suppliers of so-called big users of wood, are certified by the standard of FSC CoC, because there is no other way to cooperate with big-users of wood.

5.3.3. Croatia

Sustainable forest management in Croatia has tradition longer than 250 years and is regulated by several laws and other legal acts. At the present, forest management and other forestry activities are regulated by Law on Forests, Forest Management rulebook, Law on Physical Planning and Building, Law on Nature Protection, Law on Forest Planting Material, Law on Fire Protection. In the actual

management of state forests, a state owned company Croatian Forest Ltd. (in Croatian, Hrvatske šume d.o.o.), has a key role. The company is obligated by the Law to make detailed Forest Management Plans (FMP) and to keep a precise book keeping of growing stock for every Forest Management Unit (FMU). The average size of FMU is around 3000 ha (Croatian Forest, 2006). FMP for each FMU has to be renewed every 10 years on the basis of data from the previous FMP and forest measurements with the intensity of up to 10% of the area. FMP contains data (area, forest and soil type, site index, DBH, growing stock and increment for main tree species, etc.) for every forest compartment along with the plan of activities. Results of activities and volume of extracted wood are regularly noted in the FMP and updated to the company's central database. Croatian Forests Ltd. is also in charge of developing a General Forest Management Plan (FMAP) on the national level every 10 years. The FMAP is made by compiling and summarizing data from existing FMPs for the state owned forests and data available for private forests. The FMAP for the Period 2006-2015 is a comprehensive document containing past and present status of forests in Croatia with a plan of activities for the period of 10 years (Croatian Forests Ltd., 2006). The Ministry of Agriculture gives approval for the FMP as well as forest management plans of private forests.

Concerning the private forests, approved forest management plans in recent years achieve about 70% of private forests area. The goal is to have all private forests covered by 2018.

Restitution process started in 1996 and is still ongoing even though it is slow. National Forest Policy and Strategy in 2003 made a foundation for many other policy changes affecting private forests and private forest owners, such as Law on Forests in 2005, establishment of Forestry Extension Service for private forest owners and Croatian Chamber of Forestry and Wood Technology Engineers in 2006, and the most recently reestablishment of the forestry extension service within the Advisory Service in 2014 after several years operating within Croatian Forests Ltd. with a limited power.

Other outcome of transition from a centrally planned to market economy is a privatization of public forest management that resulted in 392 licensed companies providing forestry services (mainly wood extraction), in the register of the Croatian Chamber of Forestry and Wood Technology Engineers.

Publicly owned forests are managed by Croatian forests Ltd. company (98%) or other public institutions (2%), while private forest owners are responsible for managing their own forests.

Establishment of the Forestry Extension Service in 2006 positively affected on situation in private forests management. Furthermore, existing National Forest Policy and Strategy is redundant, and new is still missing. Private forest management plans sometimes cannot be implemented due to unclear ownership and property fragmentation. However, legal regulations threat all private forest owners equally regardless of the size of their property, even though owners may not be interested in forest management or do not have capacity and knowledge to implement forest management plans.

5.3.4. Montenegro

As mentioned above, the Forestry Strategy (2015) clearly provides for introduction of FSC forest certification and the CoC. Main objective of the Strategy in this regard is to assure "access to all wood markets through implementation of FSC standards and at the same time "to meet the requirements of the EU FLEGT action plan" and to provide for "more efficient control of wood assortments within their

circulation within the country and in their export". The following actions and steps have been anticipated in order to meet the objectives:

- Acceptance of the Action plan for FSC certification of forest management
- Evaluation and review of the National action plan for combating illegal activities in forestry
- Preparation of IPA projects for forest certification and introduction of barcodes and control via control points on the roads
- Introduction of the FSC system in the entire area.

However, none of the actions have been started and/or implemented until now. Instead of this, a kind of a promotion project for introduction of FSC certification has now been started by the MPRR-DFHWI this year. The project is like about to start the – described - FSC story – from the zero, regardless of all previous developments and the Strategy guidelines.

All this indicates that the MPRR-FA as the state forest manager had until now no concrete interest and available budget for introduction of the FC (at least at a pilot level) or implementation of the above FSC action plan (in terms of raising capacity for fulfilling the certification requirements) as well as no priority for preparation of the IPA projects.

There is no any (forest or other) regulation towards the FC in Montenegro, as this issue is a voluntary matter by its nature. However, a specific national criteria and indicators (C & I) for SFM, based on Pan-European ones, had already been developed and adopted in Montenegro under the SNV technical support – in form of a ministerial bylaw (or rulebook) in 2011/2012. Unfortunately, these C & I have later been set out of the “power” by the 2010th Forest law change (in 2015). This change actually removed the national C & I as criteria, on which the FM in Montenegro would be implemented and assessed. Instead of them, the Forest law change referred directly to the Pan-European C & I, which are more general and easy for implementation. Monitoring of the SFM, based on the European C & I, has however also not been implemented until now.

Otherwise, the FC development process started already quite early in Montenegro. Namely, in 2006, a draft national FSC standard had been developed under a Lux-Development “FODEMO” project, the final draft adopted by the national working group and sent to Bonn (FSC HQs). Unfortunately, with no any follow-up, although the money had been available for it within the mentioned project. Further activities on FSC then recovered not earlier than in 2013, under the same project (end). As a result, the FSC action plan, referred to in the Forestry Strategy, had been elaborated. The plan showed many weak points, i.e. non-compliances with regard to the generic FSC standard and proposed several pre-preparatory activities in the forest sector in order to be able to remove this non-compliances and to obtain the FM certificate. However, as mentioned above, no any follow-up in this way happened again.

Already a year before that FODEMO project, another project on promotion of the PEFC certification, financed by Italian region Venezia-Giulia and carried out in cooperation with the Municipality of Rožaje (as a pilot testing area) had been carried out. As a follow-up of this project, activities on development of the national PEFC C & I started in late 2012 within a new, PEFC funded project (for Montenegro and Bosnia and Herzegovina) in cooperation with the local partners. As its main result, the national PEFC C & I had been developed and adopted (in early 2014, before the Forestry Strategy adoption) by the national PEFC working group. The next step, i.e. making the decision on assuring of financing by the MPRR-FA for

establishing and work of the PEFC National Governing Body, for inclusion of it in the PEFC , for preparation of a complete national draft PEFC certification scheme and submission of it to the PEFC for its assessment and endorsement, however, did not take place (again). Consequently, also the PEFC had not been prepared anymore (at least) to support the publication of the national PEFC C & I document and the corresponding rulebook (guidelines), developed for its practical implementation.

All the above mentioned shows that the MPRR-FA had actually no interest and priority for introduction of any FC. The interests and expectations of other players, particularly concession holders, in terms of introduction of the FC could also be assessed as declaratory only.

5.3.5. Republic of Srpska (BiH)

Legislative regulations in the field of forestry, in the light of the process of EU integration of Bosnia and Herzegovina (BiH), is going through a phase of adaptation and incorporation of European norms and standards into national legislation. Managing forest resources is carried out on the principles of sustainability and respect for the strict criteria of preserving nature and the environment. In legal terms, BiH as a state has committed to respect binding international documents (conventions, agreements), as well as the obligations arising from the process of European integration (directives, recommendations, guidelines and criteria of the Ministerial Conference on the Protection of Forests in Europe). Due to specific constitutional order of Bosnia and Herzegovina, there is no legal framework in forestry at the state level. Forest policy is decentralized. The Federation of Bosnia and Herzegovina, the Republic of Srpska and the Brcko District have their own constitutions and laws, including those related to the forestry and wood processing. On the whole, legal framework that regulates this area can be divided into:

A) Laws directly related to the sector

B) Laws that directly affect the sector (sets: the so-called economic laws; laws on the protection of nature and environment; the Plant Protection Act, local government and others....).

On all administrative and political levels, the forestry is in the responsibility of the Ministries of Agriculture, Water and Forestry (in some cases, Ministries of Economy). Commercial entities who are engaged in forestry are public enterprises founded by the cantonal authorities in the Federation and the entity government in RS. In order to create higher added value and new jobs, primary goal of public companies involved in forestry is that the priority in obtaining raw materials have final processors and those who are in the chain of the final processors, as well as to have better conditions and incentives to use the raw material to produce final products.

As mentioned above, the Forestry Strategy (2015) clearly provides for introduction of FSC forest certification and the Chain of Custody (CoC). Main objective of the Strategy in this regard is to assure “access to all wood markets through implementation of FSC standards” and at the same time “to meet the requirements of the EU FLEGT action plan” and to provide for “more efficient control of wood assortments within their circulation within the country and in their export”.

RS Forest Law (2008) provides the overall framework and is supported by a series of 32 regulations adopted during 2009–2010 relating to timber sales and technical norms of forest management. The Forest Law 2008 clarified the Entity ownership and administration responsibilities. Further elements of forest planning and principles of sustainable forest management are included in the 2008–2015 RS

Spatial Plan, which provides for the development of planning documentation, including the Strategy for forestry development for the period 2011–2021 (published in 2012), as well as for revision of laws and regulations including the Law on Forests.

The organisation of the forestry sector reflects the constitutional character of the country, where the administrative units of BiH and the District of Brcko and 10 cantons (within FBIH) have strong impacts on forest resource management. FBIH devolves its management competencies to cantonal governments – each canton has competency over the forest resources within its administrative boundaries. A more controversial issue, however, is the extent to which forest-related mandates of federal and cantonal authorities are clear and mutually supportive. As both these authorities and cantonal borders are the result of post-war political negotiations rather than natural considerations, this structure does not lend itself to rational forest resource management.

5.3.6. Macedonia

Republic of Macedonia has signed and ratified international agreements and conventions for protection of forests and environment which have an impact on forestry sector. The orientation of country towards EU requires harmonization of forest politics and implementation or adaptation of different strategies and policies. Current conditions necessitate creation of effective system of multifunctional forest management and development of modern forest industry with high standards.

Within The Strategy for Sustainable Development of Forestry (2006) the chapter for wood industry refers in the measure 5: “Accelerate the international standards in the sector and promote conditions for application of the Forest Certification process”. In the chapter referring to biodiversity protection, measure 2 refers to introduction of forest certification. In the Action Plan (2007-2009) that was integral part of the Strategy it was foreseen to start up with certification of 30% of forest in Macedonia (high forests) with indicative budget of 300.000 euro, while activities were not initiated at all.

In relation to EU Timber Regulation there is not any activity in domestic legislation. The knowledge, understanding and awareness building is on very low level. The only effort on this field done with support of PEFC and CNVP through activities in Macedonia on awareness and promotion of forest certification, where EUTR requirements were part of the presentations, especially on the recent PEFC Chain of Custody Standard where due diligence system procedures are embedded.

5.4. Existing certification schemes in the country

5.4.1. Albania

Since the forestry sector in Albania is still reforming, currently there are no forest certification schemes and all the focus is on the transfer process of the forest fund to municipalities and designing of the new law on forest and pastures. Despite the increased awareness and understanding of the importance on SFM standards and certification, it remains difficult to take concrete steps. Reasons for this are the limited knowledge and human capacities to address this, the costs for certification, but also the lack of willingness by the responsible structures. Nonetheless, this remains a complex issue that can be solved by the government, harmonizing fully the legislation and enhancing capacities within the framework of the integration policies as an aspirant country to the EU and development of incentive programmes for FC.

There was an initiative in 2003 by the General Directorate of Forest and Pastures for placement of the certificate of origin to the accompaniment of forest products, which was amended in 2006 by the Ministry of Environment on the certificate of origin for exports, but it didn't function properly due to the lack of coordination and cooperation between respective responsible state institutions.

5.4.2. Bulgaria

The Forest Law There is addressing forest certification which states that all forests must be certified by 2018.

At present there is one certification scheme that is in use in Bulgaria. Developer of the current national standard for FSC forest certification is WWF DCP.

At present, all certified forest areas are certified by independent certification bodies that have accreditation for the respective activity. There are several certifying bodies active in Bulgaria: Soil Association, Control Union, Nepcon, SGS etc. It is obvious that Bulgarian market is attractive for certification bodies.

According to data obtained from the FSC database, there are 198 CoC certificates issued in Bulgaria, while for forest management there are 22 certificates issued for more than 1.113.000 ha of forest area.

PEFC scheme is just developing their presence in Bulgaria. Up to now there are only 9 CoC certificates issued in Bulgaria.

5.4.3. Croatia

All State owned forests which are managed by the Croatian Forests Ltd are certified according to FSC certification standard. The company Croatian Forests Ltd has been actively involved in the process of certification since 2000. At the beginning, only respective Forest Administrations had been certificate holders (since 2002), and later the whole area managed by Croatian Forests was subjected to the certification monitoring, on which basis a mutual certificate for the whole group consisting of 15 members (Forest Administrations) was issued. The unique COC number is SA-FM/CoC-1212 and it is valid for all forest administrations. It can be also referenced by all wood processors down the chain of custody who obtained the raw material from Croatian Forests Ltd. Actually, there are over 250 COC issued certificates. At this time only two FSC certificates are issued for private forests for area of 22.000 ha.

According to PEFC data base there are 7 CoC certificates issued in Croatia.

5.4.4. Montenegro

As mentioned earlier, no any certification scheme are in use in Montenegro until now, although two draft national standards (FSC – 2006 and PEFC - 2014) have been developed, but not endorsed. Also no any national certification standard, e.g. by Montenegrin National Certification body, had been adopted. Consequently, no any forest area is certified and no any CoC certificates exist.

5.4.5. Republic of Srpska (BiH)

The process of FSC certification of forest management in the RS started in 2005 at PE "Visočnik" - Han Pijesak, and from March 2009 Public Company received the FSC certificate for forest management for all forests owned by the RS. Forest management planning is based on the need to establish an optimal production of the base (stock) in order to ensure durability of the principle. Forest management planning is scientifically and professionally well elaborated, but requires consistent application. In RS forests group-selection management systems are commonly applied.

By acquiring the FSC certificate, the successful and valuable work of employees who have invested a lot of effort has been confirmed to bring this process to an end. The FSC certificate is a great honour for the manager, it is internationally acknowledged and provides assurance that forest management is in accordance with strict criteria. This is also a recognition of the forestry profession in RS which generously responsible within generations for this extremely important national resource. In this way, the forestry of the RS is following the world trends on sustainability, as by the FSC standards it has certified the surface of all state forests that are part of the "Forest of Republika Srpska", which is an outstanding result on the world scale.

In accordance with the fact that the draft national FSC standard for sustainable management and certification of forests in Bosnia and Herzegovina is adopted and used in practice, a part of the private forests owners has voluntarily expressed interest and need for FSC certification of forest properties, via Association of private forest owners „Naša šuma“, which appears as an applicant for certification under the requirements of FSC standards. Prior to final start and implementation of certification procedure and issuance of a written document (group FSC certificate), which will confirm that private forests in the Republic of Srpska are managed in accordance with the principles of their permanent sustainability, intensive measures related to the activities defined in this paper must be taken by the private forest owners and associations which integrate them.

5.4.6. Macedonia

As mentioned earlier, no any certification scheme is in use in Macedonia until now. As mentioned before, The Council for Sustainable Forest Management in Macedonia is PEFC National Governance Body and includes representatives of four institutions and organizations: Ministry, Forest Faculty, Chamber of Commerce and National Association of PFO. The Council for SFM is responsible for development and maintenance of documents for Macedonian certification system according to the PEFC. Currently the national scheme is in the stage of assessment. It is expected that the process of assessment will be finished in 2017, while fully operational scheme would be expected somewhere mid 2018.

As available information on the FSC web site there are two of wood processing companies and one printing house possessing FSC CoC certificates.

5.5. Existing processes concerning FC in the country

5.5.1. Albania

Till now, the topic on forest certification hasn't taken place yet in Albania, due to other enormous problems of the forestry sector. Nonetheless, in last two years is being frequently discussed on the new draft-law on forest and pastures. During the formulation process there are held several public hearings with the main stakeholders at regional and national levels. Six public hearings are held at regional level and four public hearings at national level, where at national level two public hearings were organized by the Ministry of Environment and two other, were organized by the Parliament Commission of Environment and Productive Activities. Due to dissents between the main stakeholders, the law is not adopted yet and it is sent to be revised by the working group. Regardless of being un-adopted, this draft-law in a particular article, concretely in the article 30 sanctions the forest certification, where literally mentions:

“Article 30

Certification of forests and timber and non-timber products

1. For certification of public and private forests, the local government units and private owners have the right to adhere in a certification system, in function of their complementarity with the criteria with that system. Certification systems are approved by the Council of Minister Decision with proposal of the Minister.
2. Certification of forests, timber and non-timber products is executed by subjects accredited conform the legislation in force.”

From all information gathered, this article is not opposed by the stakeholders and it is a good omen for forest certification in the near future.

Links of public hearing on the new draft-law on forest and pastures:

http://www.mjedisi.gov.al/files/userfiles/Regjister_degjesash/Minutat_e_DP_per_projektligjin_per_fon_din_pyjor_dhe_kullosor_kombetar.pdf

<http://www.mjedisi.gov.al/al/newsroom/lajme/zhvillohet-degjesa-publike-per-administrimin-e-fondit-pyjor&page=11>

http://www.mjedisi.gov.al/files/userfiles/Transparence_dhe_Pjesmarrje/Raport.pdf

<http://webcache.googleusercontent.com/search?q=cache:uQcBPkxJHZUJ:www.balkanweb.com/site/fondi-pyjor-dhe-kullosor-seance-degjimore-me-grupet-e-interesit/+&cd=5&hl=en&ct=clnk&gl=al>

In order to improve the situation related to forest management according to SFM C&I and to pave the path for the forest certification, several measures must be undertaken, which are laid down as below:

- Adoption as soon as possible of the new law on forests, by embedding the Pan-European criteria and indicators for SFM;
- Establishment and full operation of forest service structures in all country's municipalities and employment of specialists with the respective education;

- Conduction of the national forest inventory with a contemporary methodology to create the basis for an accurate forest cadastre, which to be retained and updated regularly;
- Designing and implementation of programmes for capacity development of forest owners and managers about SFM C&I;
- Conduction of studies on potential forest certification schemes suitable for the specific conditions of Albania;
- Development and implementation of incentive programmes for forest certification with subsidiary schemes;
- Broad public campaign for raising awareness on certified forest products and customers' influence in market behaviour;
- Regular informing by official bodies about the required data on forest from international institutions, as well as periodical public informing.

5.5.2. Bulgaria

As result of initiative that was existing in Bulgaria during 2011-2012, at beginning of 2017 the process of creation of national standard according to the rules of PEFC was renewed. This was done as initiative of several national stakeholders, a process for drafting Bulgarian national scheme in accordance to PEFC has been launched. The National Governance Body was registered at the Court in Bulgaria and has already been accepted by PEFC as NGB. The previous initiative in Bulgaria for PEFC scheme has stopped somewhere 2011-2012 due to expire of supportive funds to bring that process to an end.

5.5.3. Croatia

Market demand for certified forest products is increasing and as the whole area of state owned forests are already certified, the only viable market solution for private forests is forest certification. The biggest problems in private forests management in Croatia are small scale properties (0,76 ha/owner usually divided in two cadastre plots) and heterogeneity of silvicultural forms as a barrier for application of certification system.

Recently a new trend is emergence of new big private forest owners, mainly due to the restitution process, where bigger properties taken during communist regime are returned to previous owners or their successors (mainly Church and nobility).

Answer to this problems is introduction of other schemes which allow certification for those properties. In order to make possible certification of this forests, process of developing of PEFC national standards is only possibility. Initiative meeting with all respective stakeholders (Ministry of agriculture, Croatian forest ltd., CROUPFOA, Advisory service, Chamber of economy – Association of wood industry) was held and it was concluded that process of developing of PEFC national standards should start. PEFC standard setting rules are offering good opportunity for the forest stakeholders in Croatia to draft specific national standards for forest certification respecting the framework of the PEFC requirements. Despite the fact that last year Croatia has celebrated 250 years of organized forest management it does not have national standards for certification. Introducing new certification scheme will improve the sustainable forest management mostly in private forest in Croatia, but it could be also easy applied for state owned forests as for the wood industry.

5.5.4. Montenegro

According to our desk research of the internet, TV and newspaper sources related to the FC, FM and forestry in general, only one article about the FC and its positive effects and needs could be found (in a daily newspaper) in the last two years. This article has been published in form of an interview with an independent forestry professional. No other public discussions regarding the FC could be found. This is actually logical, as the FC is almost completely unknown issue in the public.

The only publically visible event regarding the FC was actually the final PEFC project results' presentation (led by the author of this study) in 2014. The outcomes of it have latter also been published at the PEFC website in Geneva.

From the other side, however, it could be concluded, that several, quite strong public reactions through TV and newspapers (in the last two years) occurred. These were related to: forest devastation (one, 1), unsustainable forest concession management in general (3), illegal harvesting (3), lack of the wood at national market and non-controlled, high export of roundwood (6), revision of the forest concessions contract obligations and related payments by the National Revision Institution (1), extraordinary controls of harvesting and of legality of timber placed on the market (3) and decreased forest production in 2016 (1).

5.5.5. Macedonia

Today the public opinion in Macedonia is more interested about the forests as integral part of the nature, asking for responsible forest management, proper care and protection of the forests. At the same time, the implementation of the EU Regulations is putting pressure on sustainable forest management and it is threatening export of wood products on the EU market. The public in general and wood processing industry specially are asking for concrete steps in start-up of process of certification of forests in Macedonia as a label/proof of sustainability.

For the purposes of this project activity through research that was done on the web, newspapers, TV and other sources of information related to FC, FM and general forestry in general, shows that in the past few years there have been several articles related to FC in Macedonia.

In Ohrid in 2009, a national conference was organized on the status of forest certification in the country. The organizers were the Labor Union of Forestry Workers, Wood Industry and Energy and the BWI, the World Trade Union Federation of Construction and Wood Industry and Forestry. The Conference was attended by representatives of trade unions from Sweden, Croatia, Serbia, Montenegro, Bosnia and Herzegovina, then representatives of the Government, the Ministry of Agriculture, Forestry and Water Management, Ministry of Finance, Ministry of Environment and the Public Enterprise "Macedonian forests "In basically running users of forests, natural or legal persons to obtain FSC certification.

The Labor Union has distributed an official statement to the public: "Implementation of FSC forest certification is complicated and long lasting process. In all of the countries that implements FC, the Labor Union plays very important role, besides the State Forest Company. The activities for certification of forests in Macedonia have started five years ago." (Source: web page of Labor Union).

In the period of 2013-2014 an awareness raising project was executed in Macedonia, Albania and Kosovo on the importance of certification of forests in the Western Balkans. The project was funded by

PEFC and implemented by CNVP. Also, the management of PE “Macedonian Forests” in several occasions has claimed that is ready to start up the process of forest certification with budget reserved for that action. The NAPFO has already stated in public that forest certification is a need in Macedonia as a tool for improved forest governance and prevention from illegal harvesting in forests. The Chamber of Commerce already from 2011 was asking through public media to start the process of FC in Macedonia, having in mind the consequences of the upcoming implementation of the EUTR towards the wood industry in Macedonia.

All this in essence says that Macedonia all interested parties seeking to commence the process of forest certification, but obviously still nothing concrete is not done unless the formation of the Council for SFM.

6. Interviews with the representatives of the key stakeholders

As integral part of the Survey interviews with the key stakeholder representatives from the Balkan countries were implemented by the REFORD member organizations. The idea of integrating interviews in the Survey is coming from the fact that forestry related topics are very often better understood by those who are directly by profession or education engaged with it. The forest certification as a topic is probably not well known among wider stakeholder representatives on the Balkan, while key stakeholders are expected to have deeper insight on this subject. Having in mind that the Survey have conducted 30 prearranged questionnaire forms in every country, the results from the interviews are serving as a source to compare the results from the questionnaires and to see if there is significant difference in the results from the questionnaires and interviews.

The questions for the interviewees were same for all the countries.

Q1. What is the current status of applying/use of sustainable forest management (SFM) according to Pan-European criteria and indicators (C&I)? Does national forest strategy/policy properly address to MCPFE/Pan-European initiative on SFM? Are SFM C&I embedded in official national strategy and legislation framework?

Q2. Do you think that forest owners and forest managers are prepared (have sufficient capacity, knowledge) on forest management according to SFM C&I? Do you consider as relevant to have prepared and to implement capacity development programs for forest owners and forest managers in your country about SFM?

Q3. Are you aware of EU Regulation 995/2010 (Timber Regulation), USA (Lacey Act), Australia (Illegal Logging Prohibition Act 2012) and their impact to the market of forest based products?

Q4. What global certification schemes are in use in your country? For how many FC schemes are you aware? Do you see increased interest in future on the market about certified forest products? Do you see relevant to support initiatives aiming to increase public awareness about customers influence when they decide to buy certified forest products?

Q5. How would you score the market demand in your country about certified forest products? Is the wider public asking for having certified forest products on the market? Are any national (like green procurement) policies influencing market demand in your country on certified forest products?

Q6. Are you supportive to forest certification? Are there issues hindering implementation of forest certification in your country? If yes, what measures would you propose to improve situation?

6.1. Interview results

6.1.1. Albania

Q1: Part of key stakeholder representatives stated that in Albania application of SFM is either partly or even far away from it. Most of respondents stated that the national policy acknowledges Pan European C&I for SFM. In addition to that, as foreseen in the national forest strategy the National Environment Agency (NEA) as the monitoring agency should monitor and periodically report on the Pan-European criteria and indicators. It seems that new manual for preparing forest management plans will include criteria and indicators as integral part of it. There is not yet official integration of the C&I in the national policy and strategic documents, even some initial efforts or even their partly integration were done. It seems that there is a need for additional elaboration of the C&I in the national context.

Q2: On this question all respondents were having the same opinion that the forest managers and especially forest owners do not have sufficient capacity to apply SFM. At the same time they fully agree that development and implementation of training programmes for the forest managers and forest owners is precondition for implementation of SFM.

Q3: All interviewees were aware on existence of the EUTR and other similar regulations. Some of respondents have opinion that their impact on SFM is positive and as consequence of this regulations, forest certification become a tool that will prove legal origin of forest based products and at the same become as tool for improved market of the products.

Q4: Interviewees that are representing policy makers are aware on the existence of forest certification schemes. One of respondents was referring to the legal act – directive issued in 2003 that supposed to put in place certificates for the origin of the forest products in Albania, but due to poor coordination and cooperation among different actors it hasn't become successful tool. In this moment there is no requirement for certified forest products in Albania. All respondents at the same time think as very relevant to raise awareness at customers about their potential and their impact on SFM in the country and market of the forest based products.

Q5: All interviewees agree that the market demand for certified forest products in Albania is very low. Also the wider public shows almost no interest for certified forest products. They are interested about the price and the quality of the product, but not on the way how forest product has been produced. The public procurement policies don't include any requirements on the way that forest products were produced.

Q6: There is common support for forest certification among all participants in the interview. About the obstacles for FC in the country, some of respondents see the legal framework (forest law not adopted yet) as obstacle as well as lack of reliable data at Cadaster. Also some were referring on unsustainable

methods in forest practice and poor monitoring on forest policy implementation. Many of respondents emphasized the need of harmonization with EU legislation and update of Cadaster. Also, one of respondents paid attention for the need to define national SFM standards and to start with PEFC process, since main composition of Albanian forest after the transition are small scale properties.

6.1.2. Bulgaria

Q1: Most of representatives of the key stakeholders have stated that SFM C&I are largely incorporated in to national legislation and strategy papers. Also, there is a guidance document provided on the implementation of policies and development of the forest sector for the period 2014 - 2020. Some of these priorities are based on criteria for SFM

Q2: Interviewees have agreed that forest owners that are not in the system of cooperatives are not prepared to implement SFM at their properties, knowing the fact they that do not have forestry background in their education, while the managers of the companies that applies FSC system get used on that and are implementing it successfully. So they agree that there is a need to prepare education programmes for forest owners, bit as well to add this topics at formal education system (high schools of forestry).

Q3: Almost all interviewees were fully aware on the international regulations related to timber trade, but at the same time one was not aware since his occupation as forest private practitioner.

Q4: All of interviewees were aware of FSC scheme and some of them are also familiar with the PEFC scheme, while the fact of use of FSC scheme in Bulgaria is well known to all of them. Most of them think that the market demand for certified products is increasing and are fully supportive to initiatives that will influence on the customers when they decide to buy forest based products.

Q5: Some of interviewees are on opinion that there is no higher demand on the market for certified forest products and that the price is determining the interest, while some think that is on average level. Most think that the customers are not demanding for certified products in this moment. At the same time there is no any "green procurement" policy at the country that would possibly support the market for certified products.

Q6: All interviewees are supportive to FC and one is especially supportive to FSC scheme. Some of them see frequent changes of the forest legislation and their interpretation as an obstacle and lack of skilled manpower in harvesting companies' as well as unsuitable and outdated equipment. Political interference and personnel policy in the forestry sector may also be a serious obstacle. One of interviewees sees forest law enforcement and fight against corruption as one of necessary measures that will improve the situation.

6.1.3. Croatia

Q1: Most of interviewees says that currently they apply SFM on high level since all products are certified (view for state forests) and that in private forestry would be also possible to apply easily, but to improve the way of management in protected areas too. More than half would say that the Pan-European initiative on SFM is national policy and that SFM C&I are actual part of official national legislation.

Q2: They all agreed that forest managers (referring to those that operates at state forests) are fully prepared to apply SFM, but that is not a case with forest owners. They also stated that through the

Chamber of licensed forest engineers training programmes have been delivered already, but that should be also done for private forest owners.

Q3: On the question of awareness on EU and other regulations referring to placement of forest based products on the market they are all well aware on it and at the same time stating that the national legislation is also very strict, so that will not have an impact on Croatian market.

Q4: All interviewees are well informed about two global FC schemes, only one was not for sure if any is in use in Croatia. They all see increased interest on the market in future for certified products, but at the same time is already high in Croatia since there is market demand from external markets. They are also supportive to incentives that are focused toward customers that can have a market impact. They pointed opportunity to make a campaign to use Croatian based wood products in constructions instead of artificial materials that are in use, having in mind that is country covered with 50% of forests.

Q5: The current market demand in Croatia for certified products they score from average to high with potential for growth. At the same time wider public is not interested for having certified wood products. More than half stated that there is a national policy that is demanding “green procurement” and is obligatory for public entity supplies.

Q6: There is also uniqueness in opinion on support to forest certification, they are all supportive. Some of them sees as an issue small scale properties of forest owners and issues related to property rights (Cadaster registration). They propose resolution of property issues and joint management of small forest properties.

6.1.4. Montenegro

Q1: Representatives of the policy makers knows that there are national C&I that are in line with the Pan-European, but the FM practice is partly in line, while other were not familiar with Pan-European process, but for sure that the FM practice is not fully in line with SFM. Also, those interviewees familiar with the forest policy knows that SFM C&I are embedded in the national policy, while other are not informed well.

Q2: Only represent of the policy makers thinks that forest managers are ready to apply SFM, while concessionaires are partly and forest owners are not prepared, while other in general think that there is no preparedness at all levels to apply SFM. For preparing and implementing training programmes for forest managers/concessionaires/owners everybody agrees that is a necessary step for Montenegro.

Q3: Almost all of interviewees are familiar with the EUTR requirements and in general aware about the impact they have on reduction on the placement of illegal wood on the market.

Q4: Almost all respondents are aware about existence of two global certification schemes, while policy maker’s representative knows in details about development of draft FSC and PEFC standards. They all know that no any is in use in the country too. Most of them also believe that in future there will be increased interest for certified products, especially for those that are export oriented, only one is not convinced about that.

Q5: In general interviewees rate the interest for certified products on the market in Montenegro as very low to non-existing. Three of them also rate the public interest on certified forest products as not existing at all, while for one there is an interest and other one thinks that the public is more oriented

towards forest management, not on products. Almost all doesn't know on any public procurement policy supportive to SFM, while one is stating that there is ongoing initiative in the Government on that issue.

Q6: There is support from all representatives for forest certification in Montenegro. There is dilemma of few representatives about who will need to take a step for FC in state forests, the state as an owner or forest concessionaires, there are issues mentioned as not sufficient knowledge, poor forest machinery and equipment (including forest workers protection equipment), lack of financial means to comply with requirements, non-payment of forest concessions, corruption, poor institutional capacity etc. There are several measures proposed to foster FC like development and implementation of capacity building programmes, improvement of forest monitoring and control, fight against illegal harvest and corruption in the forestry sector.

6.1.5. Republic of Srpska (BiH)

Q1: Interviewees have agreed that Pan-European standards on SFM are partly applied in BiH. Actually there is overlapping of Pan-European process with the current PEFC and FSC standards and there is not clear difference on it. Regarding the inclusion of SFM C&I in to strategy documents and national legislation most of respondents have stated that they are partly embedded or criticize the fact that that are only "dead" papers. Some were also recommending concrete actions in forestry to bring it closer to the concept of Pan-European initiative for SFM.

Q2: Most of interviewees are having opinion that forest managers and forest owners are not prepared to apply the concept of SFM. Some were pointing on the old concepts for forest management neglecting the new global trends of what forest management need to address. They all stressed the need to invest and execute capacity development programmes for forest managers/owners. The traditional forestry is focusses only on timber production, while other aspects have been underestimated.

Q3: Most of interviewees are fully aware on the international regulations that protects the market from the placement of illegal forest products, only one was not fully aware on it and how that relates to BiH stakeholders. Also they are fully aware how these regulations impacts on the global markets for the forest products. They have stressed the need to make fully aware all forest stakeholders on these regulations and to prepare at BiH for these requirements.

Q4: All have replied that knows both internationally recognized FC schemes, PEFC and FSC and the fact that FSC FM and CoC certification is dominant in BiH. They also think that the market demand for certified forest product will increase in future and are supportive to initiatives that will raise attention at customer level about importance of buying certified forest products.

Q5: The market demand in BiH on certified forest products they estimate as mainly on request from foreign partners to Bosnian companies and especially at most valuable products (probably timbers and their products from specific tree species). The prevailing opinion at key stakeholders is that the general public is not so interested about having certified products on Bosnian market, their main criteria is the price of the product. The green procurement policies in BiH are not dealing with certified forest products, as one says it is "science fiction".

Q6: All interviewees are also very positive and supportive towards FC. As a main problems for implementation of FC they see the structure of the private forests as small scale properties, lethargy in

the forest sector and the complex structure of BiH. About proposing measures to improve the situation with FC, some have proposed public-private partnership for private forests (actually could be applied as model of group certification), activities on raising awareness and granting opportunities for those who decides to follow certification.

6.1.6. Macedonia

Q1: Most of interviewees stated that the current FM is not according to Pan-European C&I, but at the same time half of them stated that actually SFM is applied on a national way. They are also divided if the strategy/policy properly addressing Pan-European C&I, some would say yes, some no, while other are not informed. At the same time Pan-European C&I are not embedded in official strategy and legislation.

Q2: On this question they all agreed that forest managers/owners are not ready to apply FM based on SFM C&I. They all agreed that is important to prepare and implement training programme for forest managers/owners to be ready to work according to requirements for SFM.

Q3: It is significant to underline that not any of key stakeholder representatives is aware of EUTR and other international legislation that affects placement of forest products on their markets as well on their potential impact on internal and external markets.

Q4: Most of interviewees were aware of both global certification schemes and sees small interest or hope that in future there will be increased interest for certified forest products. They are supportive for incentives that will raise that will focus on the client's impact when deciding to buy certified forest products.

Q5: The demand of certified forest products on the market they score almost as insignificant in this moment. At the same time the wider public is not paying attention to that and there are not any supportive policies like "green procurement" policy.

Q6: Most of them are supportive to FC, one is conditional that FC should not only mean increased costs for FM. Many of interviewees referred to funding of FC, as well as some saying that is of low priority in forestry at this moment. It is interesting to see that three of them proposed to have a pilot activity of actual FC and then to analyze results (management procedures, costs, benefits).

7. Results from the questionnaires

The questionnaire was compiled of set of 32 questions divided in 7 groups:

- 1) General info, questions 1 to 8;
- 2) Government policy towards SFM, questions 9 to 15;
- 3) Forest manager's behaviour (preparedness to fulfil SFM), questions 16 to 18;
- 4) Relation of forest depended economy towards SFM and forest certification, questions 19 and 20;
- 5) Public reaction towards SFM and forest certification, questions 21 to 24;
- 6) Current status of forest certification in your country, questions 25 and 26;

7) Personal opinion about forest certification, questions 27 to 32;

The respondents in the questionnaires were divided in three main groups of stakeholders:

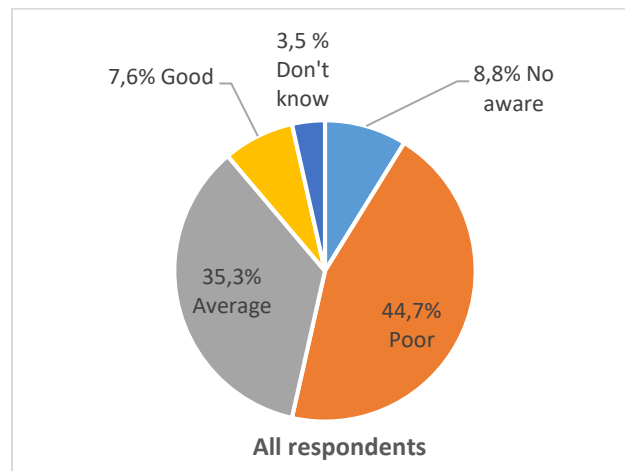
- A) Policy makers
- B) Forest managers, forest owners, wood industry
- C) Education, NGO's related to nature, other

All results from the questionnaires are contained in the Annex of this Study where results are presented for every question/per interesting group and compiled for all respondents per question.

In the text below we will present the only the main findings from the results from the questionnaires and some interesting results per countries.

General info questions

Q1. How would you rate in general awareness in the country about some of the Global/European initiatives for sustainable development including forest resources?

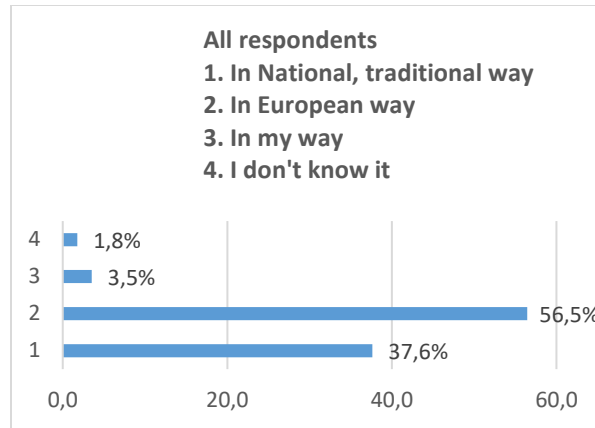


It is obvious that there is more than 50% of respondents on the Balkans that are not aware or have poor awareness on the Global/European initiatives that are including forest resources as well.

Q2. Do you know if your country ratified/accepted some of the following international documents?
(Select only where positive answer is. More answers can be selected)

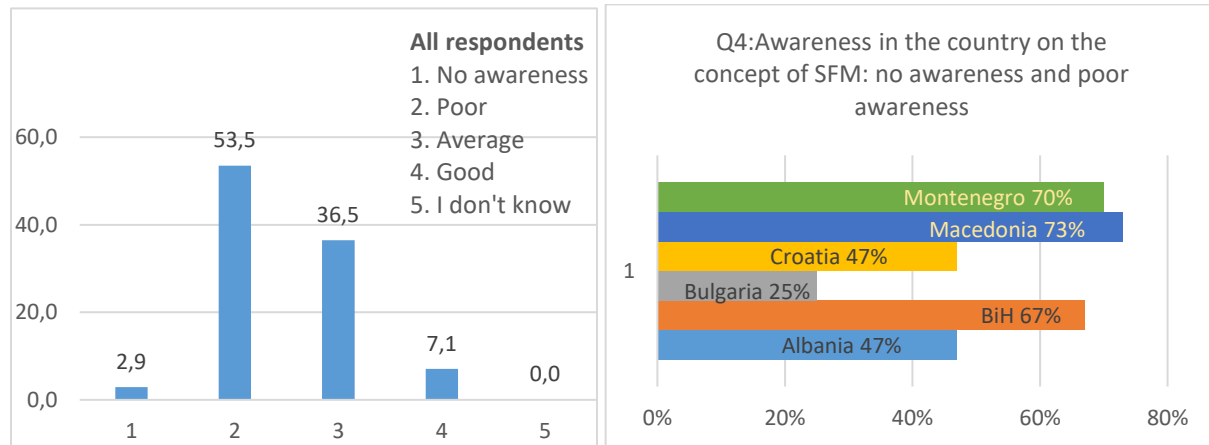
- UNFCCC (Climate Change), 144 respondents answered positive
- CBD (Biodiversity), 124 respondents answered positive
- UNCCD (Combat desertification), 55 respondents answered positive
- Aarhus convention, 74 respondents answered positive
- EU resolutions on SFM, 71 respondents answered positive

Q3. How do you understand the concept of SFM in your country?



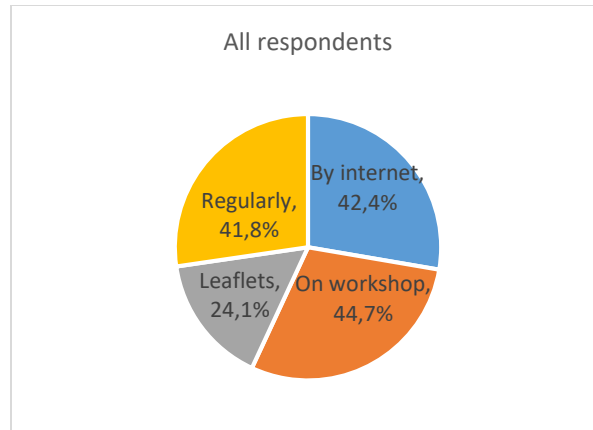
Most of respondents have answered that they understand the concept of SFM in European way, but there is also significant number (37,6%) that understand it in traditional context.

Q4. How would you rate awareness in the country on the concept of SFM?



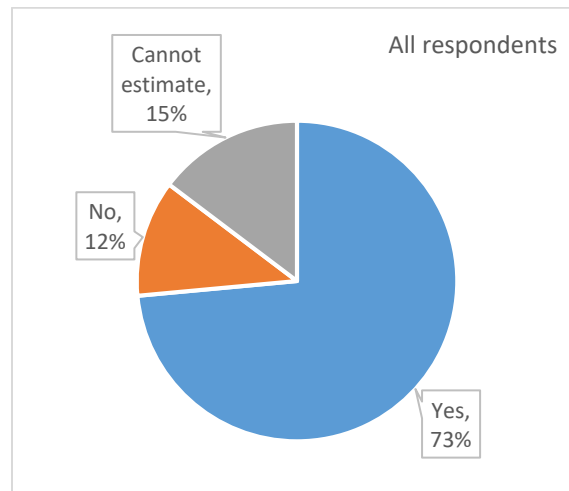
This question is providing us with significant opinion about overall awareness in the country about sustainable forest management. More than half of respondents (53,5%) think that awareness in their country on the concept of SFM is poor. That is valuable information to think about development of raising awareness programmes in the Balkans about what SFM means. If we check the results per country, we will see that more than 73% of respondents in Macedonia and 70% in Montenegro rate the awareness in the country as poor, while in Bulgaria 25% of respondents rate awareness as poor.

Q5. How did you obtain knowledge on SFM? (More answers can be selected)



Results on this question shows that respondents have obtained there knowledge on SFM almost equally as offered as a choice in the question 5.

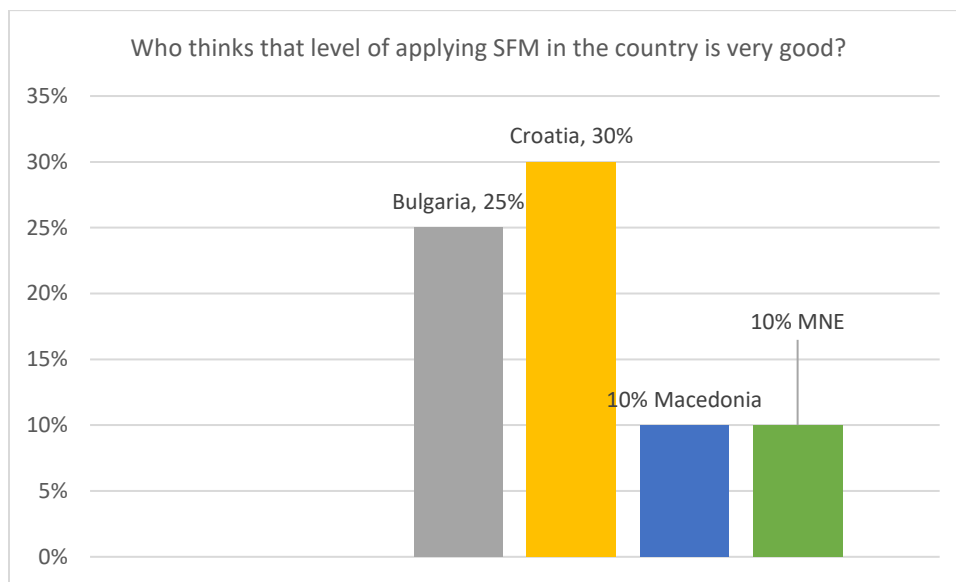
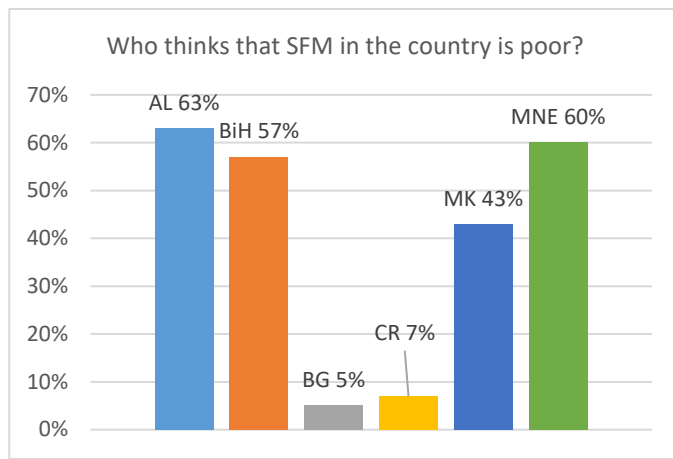
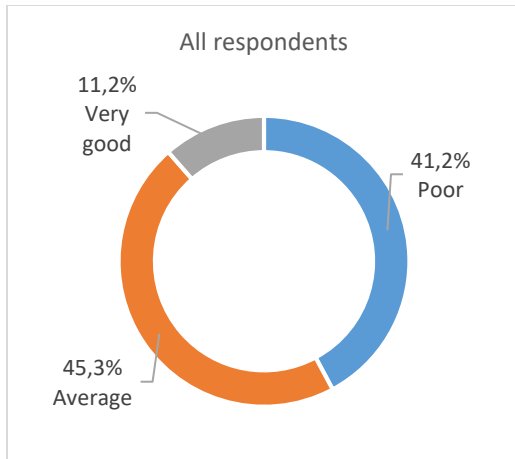
Q6. Does your organization/institution promote SFM?



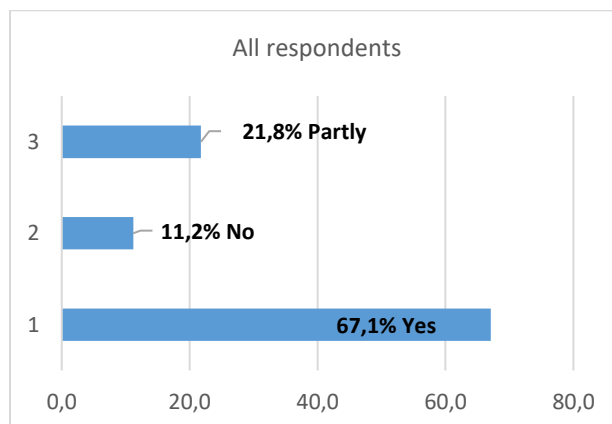
From the answers on this question we can see that prevailing answer is that organizations/institutions from where respondents are coming are promoting the concept of SFM.

Q7. How would you rate the level of implementation of SFM in your country?

Significant part of respondents (41,2%) have opinion that the level of SFM in the country is poor. When results are displayed by country, it come out that respondents in Bulgaria and Croatia are quite convinced that the level of SFM is good enough, while in other countries (Albania, BiH, Montenegro) more than half thinks that is poor. When we check who thinks that SFM is very good, surprising answers are for Albania and BiH (0%), while highest is again at Croatia (30%) and Bulgaria (25%). Probably is good for further analyse to see if there is connection with the period of applying forest certification in these countries.

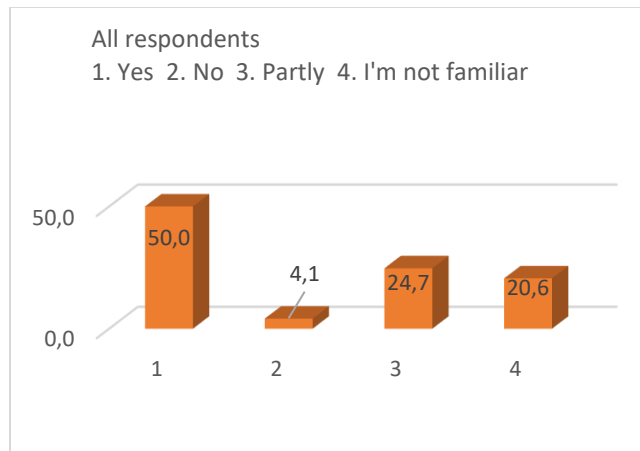


Q8. Are you familiar about what Forest Certification (FC) is?



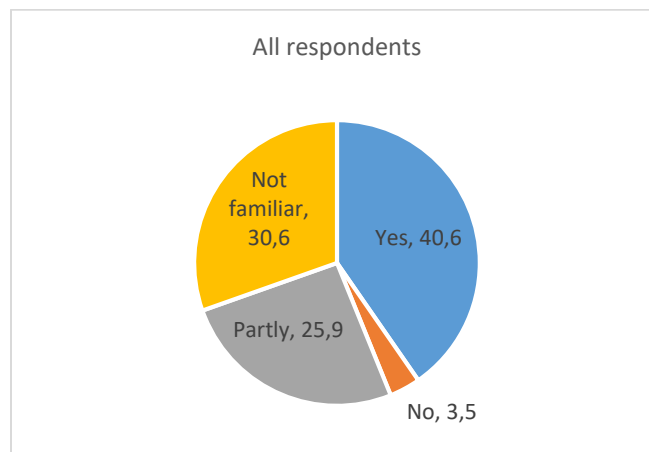
Government policy towards SFM

Q9. Are forest strategy/policy documents in your country referring to SFM?



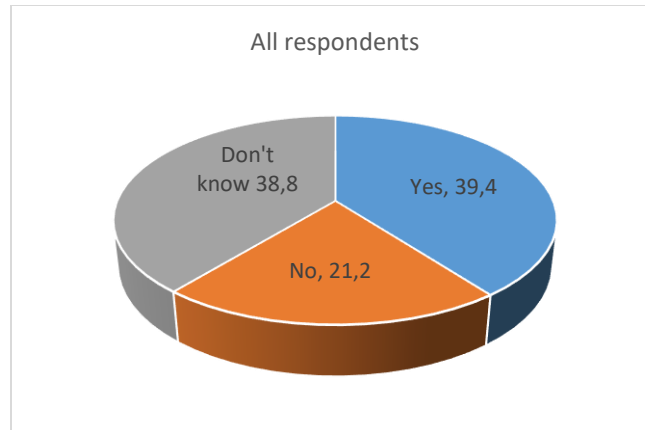
Exactly half of all respondents answered that national forest strategy/policy documents are referring to Sustainable Forest Management, while 20% were not familiar with the content for this question.

Q10. Are forest strategic/policy documents in your country referring to forest certification (FC)?



The highest number of respondents (40%) answered that national forest strategy/policy documents as well are referring to forest certification, but 30% are also not familiar with this.

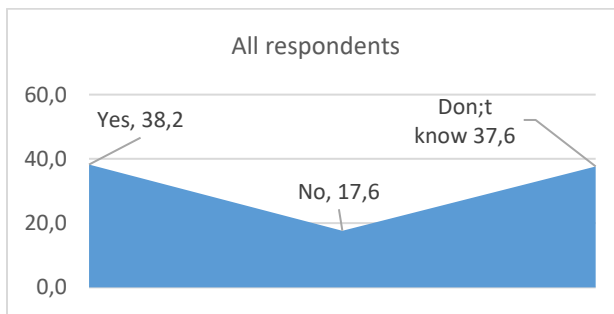
Q11. Are there national standards for SFM accepted in your country?



As we were going deeper with the questions related to the government policy towards SFM, the number of not informed interviewees was raising, on this question this percentage has grown to almost 39%.

Q12. Is fulfilling of national standards for SFM obligatory in the national regulation?

Q13. If answer on Q12 is yes, according to your opinion is their implementation regularly monitored?

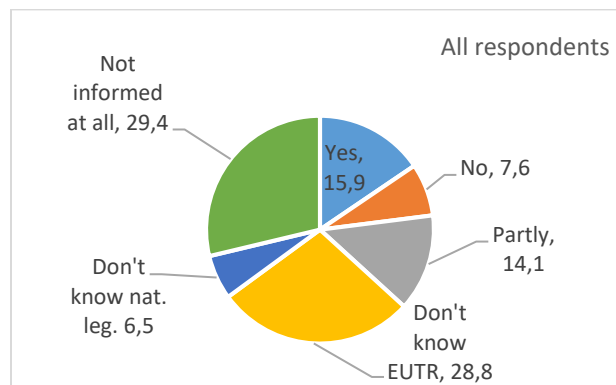


Q13: All respondents
20 responded Yes;
44 responded No;

From those who answered that positive on Q11, the number of answers on Q12 of those who knows and those who didn't was almost equal: 38,2% answered yes and 37,6 answered no. There is high level of uncertainty at respondents.

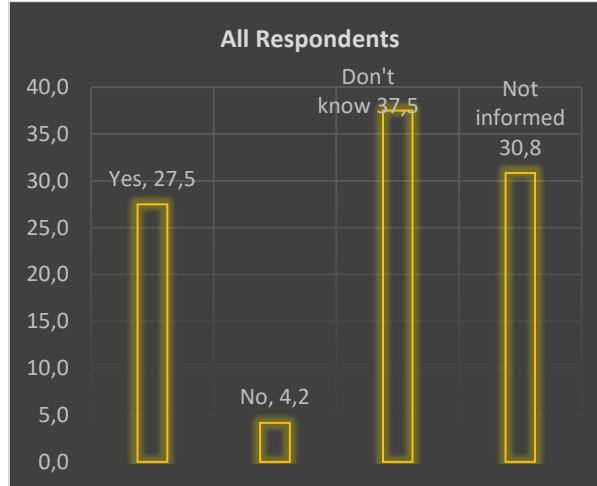
From those who answered yes, 2/3 stated that there is no regular monitoring on fulfillment of national standards for SFM.

Q14. Are requirements of the European Union Timber Regulation (EUTR, No 995/2010) embedded in your national legislation?



The trend of poor knowledge continues with the answers on this question. There are less than 1/3 of respondents that are informed on EUTR policy (15,9% yes and 14,1 partly informed).

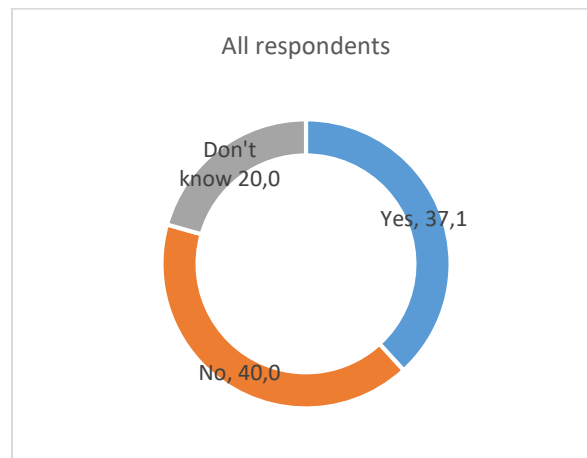
Q15. If country is non-member of EU, is there any discussion to start with harmonisation of national legislation with the EUTR?



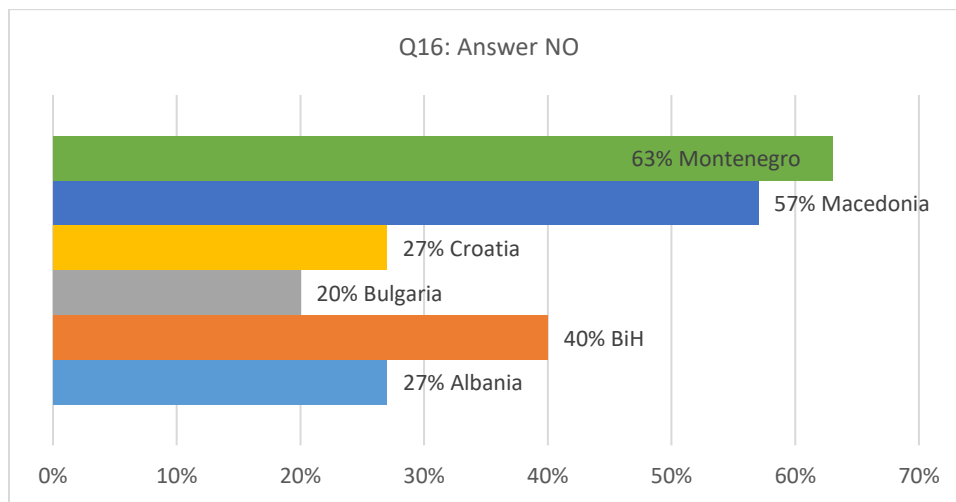
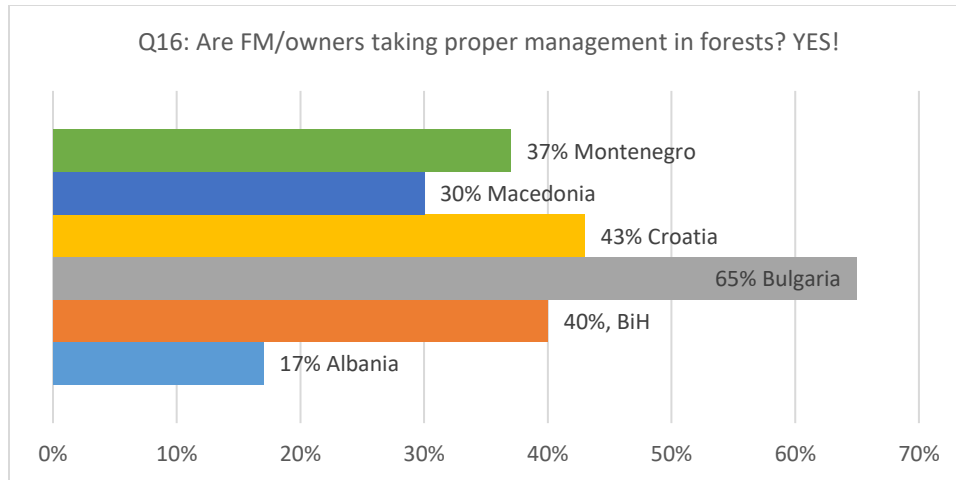
From respondents of non EU countries we found out that the trend of not well informed stakeholders is continuing, 68,3% didn't know or were not informed about harmonisation of national legislation with the EUTR.

Forest manager's behaviour (preparedness to fulfil SFM)

Q16. According to your opinion are forest managers/owners taking proper management in forests?

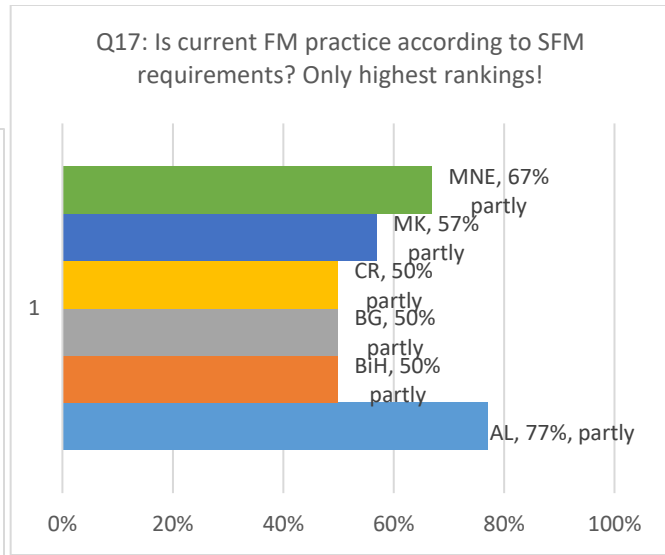
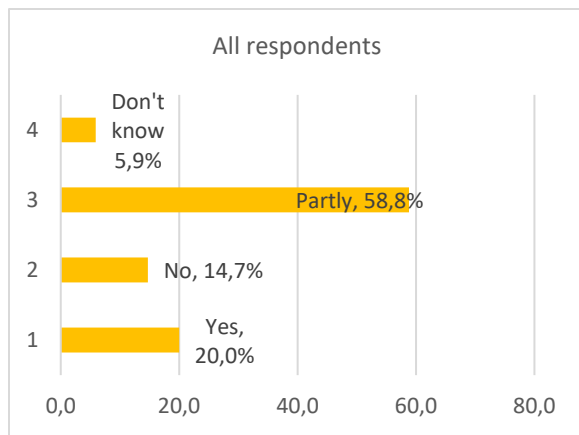


This group of questions have objective to estimate how forest stakeholders sees the management of forests in their countries. On a simple kind of question "do they take proper management" the number of those who thinks not (40%) is higher compared to those who thinks yes (37,1%).



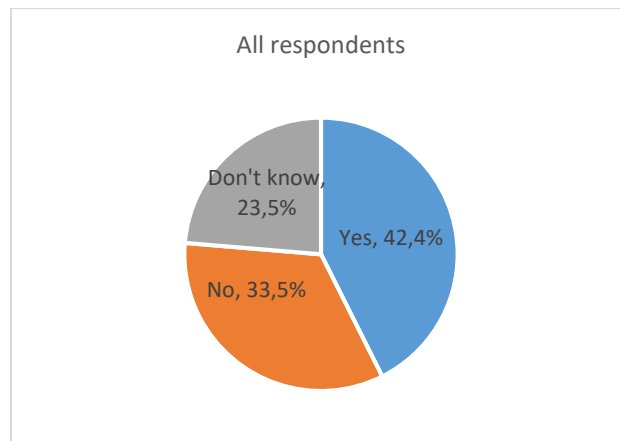
In addition we have analyzed where respondents by countries are being positive. The highest number is in Bulgaria where 65% of them are positive on the way of FM in their countries while only 17% in Albania. On the other side, where respondents by countries have been negative, the highest percentage is in Montenegro (63%) and lowest (20%) in Bulgaria.

17. How would you rate the current forest management practice in your country? Is it according to SFM requirements (fulfilling economy, environment and social functions of forests?)



On more specific question if the current practice is according to requirements for SFM, respondents seems to start answering in more “diplomatic” way. Most of them answered partly (58,8%) and the same trend is if we look the answers with highest rankings per country.

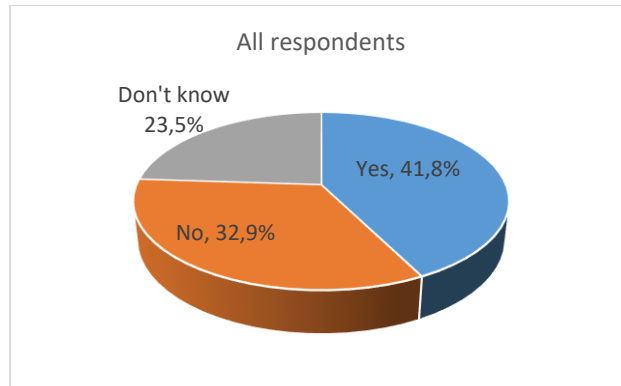
Q18. Are forest managers transparent and consultative with other stakeholders for their field activities during FM planning and execution process?



On the transparency of the forest managers and their consultation with other stakeholders, answers are divided. The trend of “yes” is highest at group of policy makers respondents (63,3%) and the trend of “no” is highest at group of education/nature NGO’s (41%) respondents.

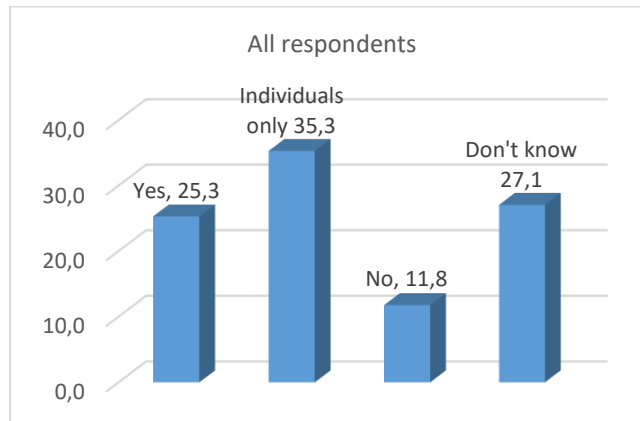
Relation of forest depended economy towards SFM and forest certification

Q19. According to your knowledge and opinion, does the forest dependent economy already expresses its care about sustainability of forest management?



The answers on this question are encouraging, where the highest number of respondents thinks that forest economy is concerning about SFM.

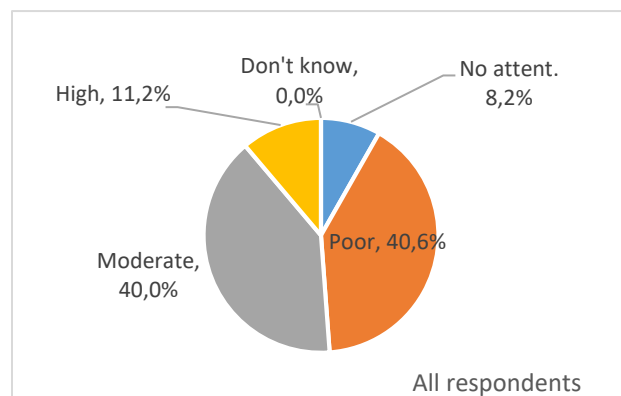
Q20. Is there any demand from the forest dependent economy to have more certified forest areas and with that for having more certified forest products on the market?



The answers on this question are somehow confirmation for the answers on the Q19. The answers “no” is of lowest ranking and that confirms that there is existing demand on the market already, knowing the fact that in 3 countries that are part of the Survey there is not at all certified forest area.

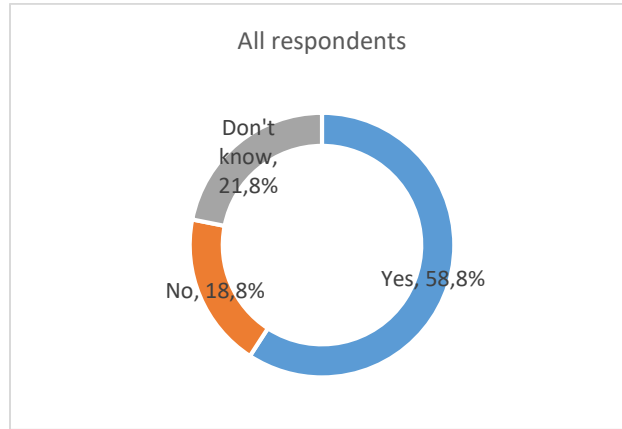
Public reaction towards SFM and forest certification

Q21. How would you rate attention by the wider public for the current FM in your country?



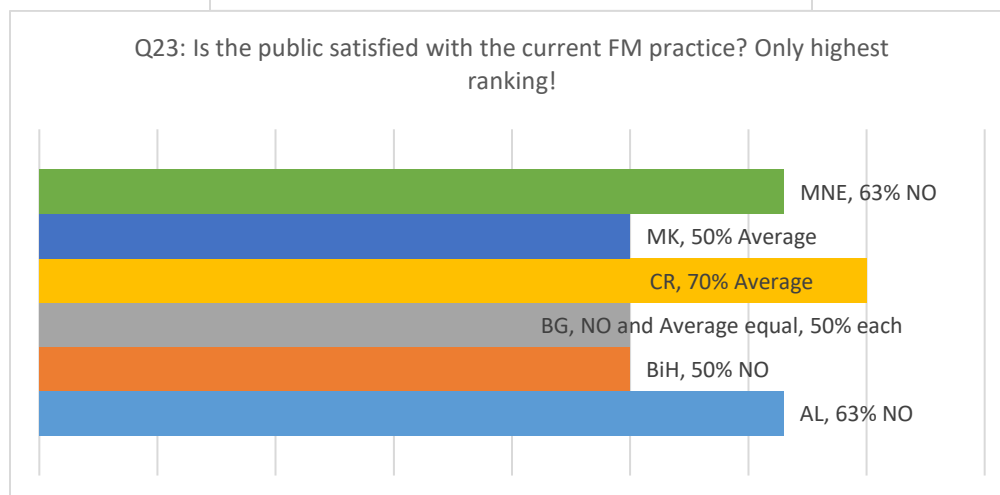
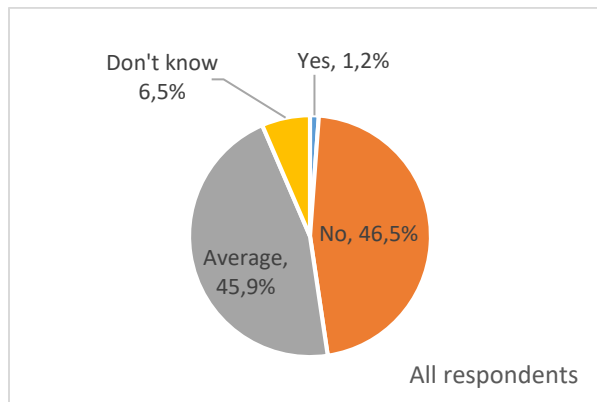
It is obvious that opinions of respondents on the wider public's attention are divided. There are almost half that thinks that there is no attention or is poor and bit more than half that thinks attention is moderate or high. This trend is almost the same for all groups of respondents.

Q22. Is there a demand in society to secure implementation of SFM in your country?



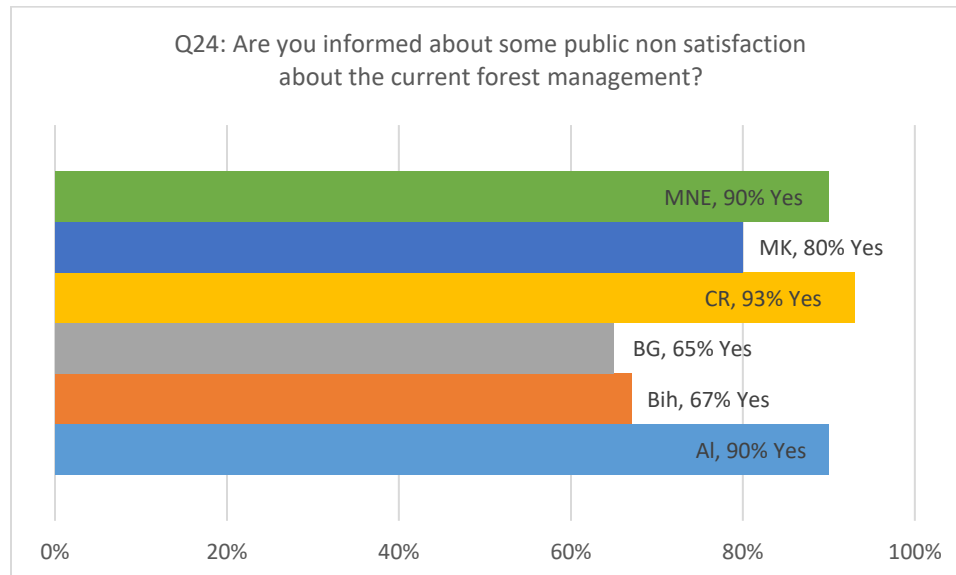
Almost 60% of interviewees thinks that in society there is demand for secured SFM.

Q23. According to your opinion is the public satisfied with the current FM practice in your country?



And the number per countries is different. The highest scores of dissatisfaction from the current FM in the country are in AL and MNE (63%) BiH and BG (50%), while the highest scores in MK (50%), CR (70%) and BG (50%) are fro average satisfaction in the public.

Q24. Are you informed about some public non-satisfactions about the current forest management practices in your country?



It is obvious that in all countries the public opinion was reacting when finding reasons to react on what the public think is bad forest management.

Current status of forest certification in your country

Q25. Do you know if any certification schemes are present / in use in your country?

- FSC: 83 respondents (CR, BG, BH)
- PEFC: 16 respondents (MK, MNE, BG)
- National scheme: 12 respondents
- I don't know any: 70 respondents (AL, MK, MNE)

Significant number of respondents (41%) is not aware for existence of any certification scheme in the country. That number of respondents in Albania is 93%, in Macedonia is 53% and 63% in Montenegro. That is something to expect since there is not any certification in these countries and awareness among forest stakeholders is lower.

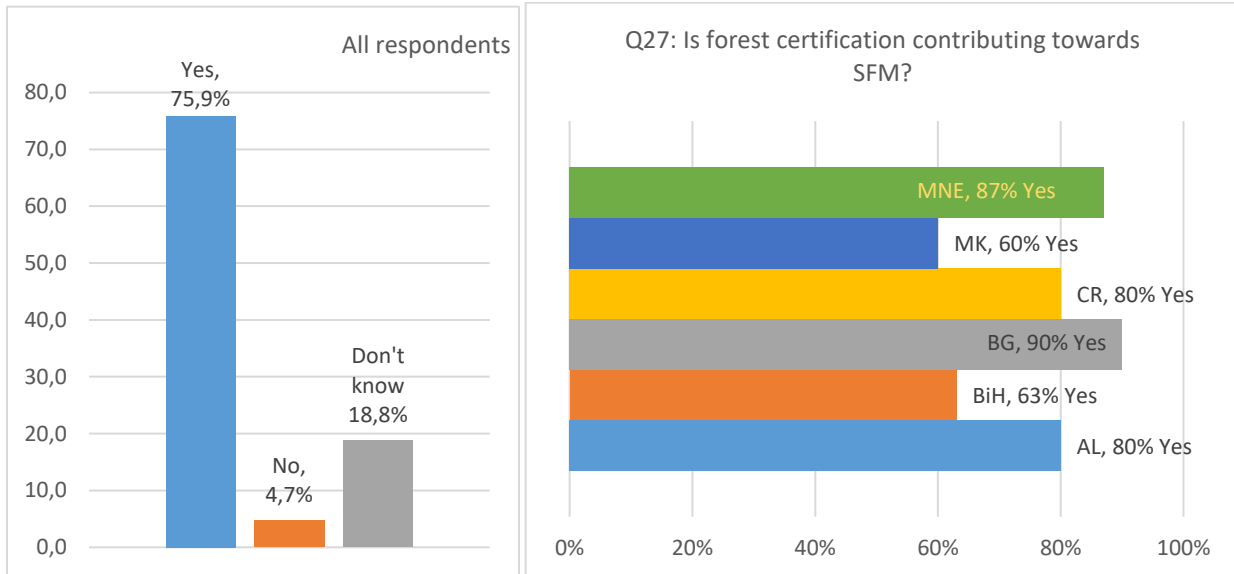
Q26. Does certified forests exist in your country?

- Yes: 74 respondents (CR, BG, BH)
- No: 41 respondent (AL, MK, MNE)
- I don't know: 53 respondents (mainly AL, MK, MNE)

Personal opinion about forest certification

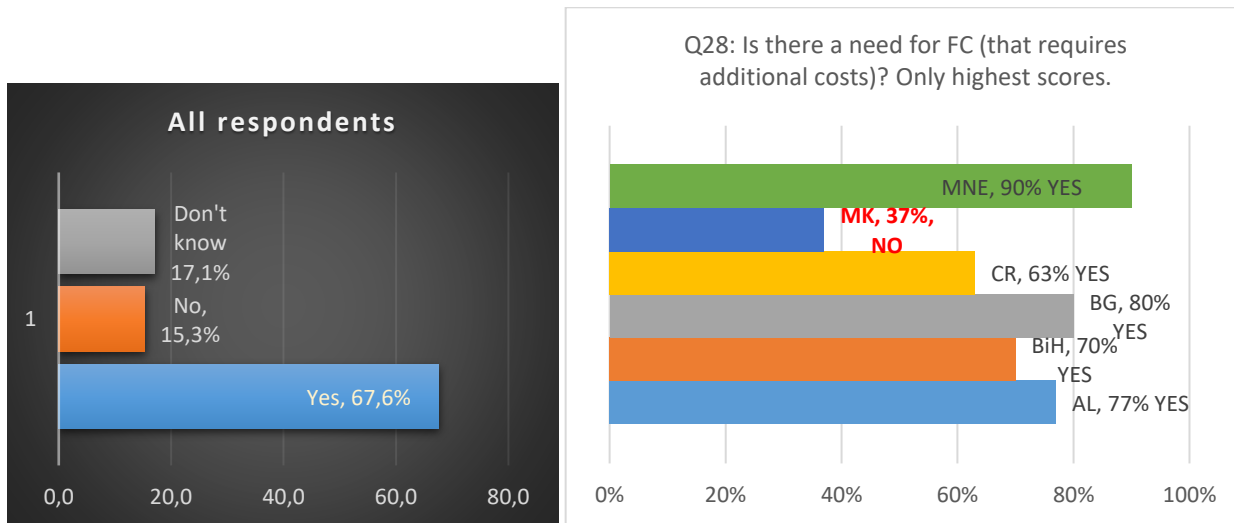
In this group of questions we may find answers on the general attitude towards forest certification in the country. The comments from respondents varies from very supportive to the attitude that FC brings only additional costs for forest managers/owners or with understanding that the State should pay for forest certification.

Q27. Is forest certification contributing towards SFM?



In general and among all countries, opinion about forest certification is positive among respondents. Starting from 60% in Macedonia to 90% in Bulgaria as positive attitude.

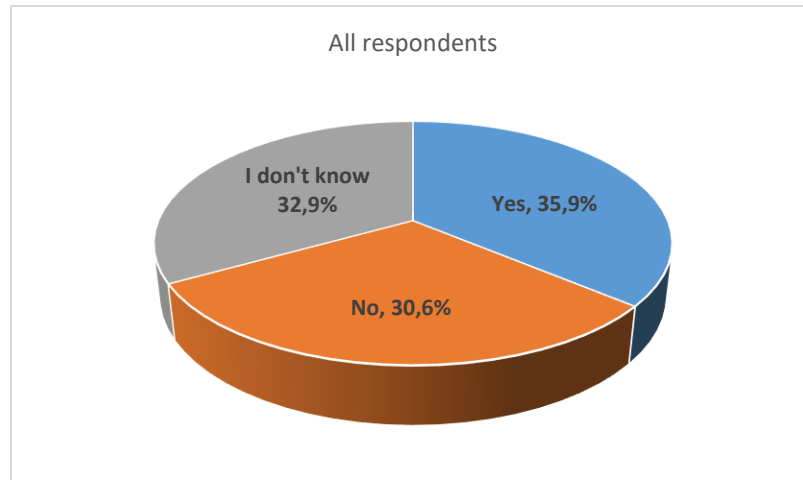
Q28. According to your personal opinion, is there a need for forest certification (which contributes to the SFM, but requires additional costs) in your country?



The answer on the question 28 provides clearer picture about attitude by countries. In most of the countries respondents were positive on the fact that management in certified forest areas produce

higher costs, starting from 63% in Croatia to 90% in Montenegro. Only in Macedonia the highest number of respondents (37%) is not supportive for the need of forest certification in the country.

Q29. Are there any obstacles for forest certification in your country?



From total number of respondents, almost 36% are having opinion that there are obstacles for forest certification.

Q30. If answer on question 29 is yes, can you number some of obstacles?

It is interesting to see from those who replied that there are obstacles for forest certification, to see the reasons per country.

Albania

- Reorganization of management structures near LGUs;
- Ownership on forest and pastures; Ownership issues in forestry sector are another obstacle for realization of forest certification; Unclear ownership titles; The process of forest transfer to municipalities yet uncompleted, what means unclear ownership titles; Problems emerged of forest transfer from central government to local government;
- No appropriate laws; Uncertainties in designing of the legal framework by the Albanian state; Lack of institutional competences to formulate right and clear the necessary laws and regulations for planning, implementing and monitoring the forest certification process; Un adopted legal framework in support of forest certification;
- Discrepancy of forest parcels with reality and documentation (maps);
- Lack of funds; Lack of supportive programmes and funding schemes;
- Have become forest owners with false ownership documents;
- Ordinary people do not fulfil their needs with fuel wood for heating and timber;
- Forest law is not properly enforced;
- Lack of forest management plans and lack of periodical update of information on forests make very difficult forest certification;
- The lack of forest areas managed sustainably and so the forest products provided by these forest areas;
- Main obstacle, scarce studies and the lack of study & research center on forests;

- The lack of existing national strategy on forest sustainable management in the context of the new territorial-administrative reform in Albania; Expiration of forest management plans and lack of new MP in the new context of territory administration;
- Institutional underestimation by political parties during last 3 decades;

Macedonia

- Lack of interest and lack of capacity on central and local level; No interest;
- I am not very much familiar with the topic of Forest Management, however, considering most of Macedonian forests are owned by the state, which is harvesting them for home heating, I assume having them certified would raise the cost of firewood. Although in my opinion firewood should not be the go-to option for household heating, based on my experience with energy poverty research I can assume that most households (approx. 30% in Skopje, larger percentage in Macedonia) would have a problem with raising the price of firewood, thus creating social unrest, or at the least social unease. Forest management is very welcome in my opinion, but should go hand-in hand with different heating options promoted (and supported financially) by local government and with changes to the national energy strategy to divert household heating from using firewood.

Montenegro

- Lack of funding, education, staff, interest;
- Illegal harvesting, missing FMP, bad control, low export to EU;
- Corruption;
- Unsustainable FM, poor law enforcement, insufficient institutions;

Croatia

- Unnecessary biodiversity measures (we have natural forests);
- Limitation for use of pesticides;
- Inconsistency in different legal acts which are in collision;
- Small scale property in private forests; Small scale parcels, property issues, indifferences of owners for management;

Bosnia and Herzegovina

- Property issues in private forests, large number of forest owners;
- Efficiency in management of forest companies; Overemployment;
- Cost for forest certification; There is no agreement among forest managers/owners and processing industry for co-financing of forest certification;
- Political influence in forest economy; Corruption;
- Lack of interest; Migration of rural population;

Q31. Do you have opinion/suggestion how to increase the level of certified forest areas in your country?

The same respondents saying there are obstacles, have provided opinion on how to increase the level of certified forest areas in their countries.

Albania

- Partnership between managers of forest fund with civil society by designing serious plans that would increase certified forest areas in Albania;

- Identification of traditional forest and pasture users and provision of ownership by law; Secure ownership rights in forestry;
- Piloting projects;
- By managing forests sustainably where the annual exploitation to not exceed the annual mean growth, as well as strict protection of forests;
- Assessment of all resources through national forest inventory;
- Regulation of relationships between the state and individuals;
- Law enforcement; Implementation of forest certification to be defined by law and support with funding programmes;
- Finalization of the government's reform for transferring the forest fund to LGUs and cadastral registration at Immoveable Property Registration Office;
- Designing of forest management plans for the forest management units;

Macedonia

- Promotion of forest certification;
- Implementation of projects (testing) for forest certification;

Montenegro

- Budget support, education and training;
- Startup of forest certification;

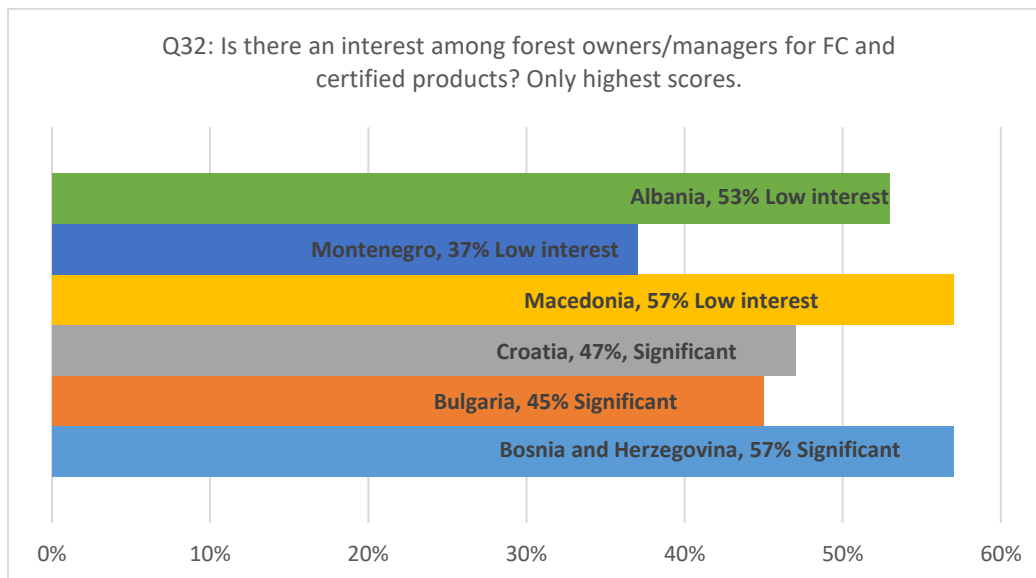
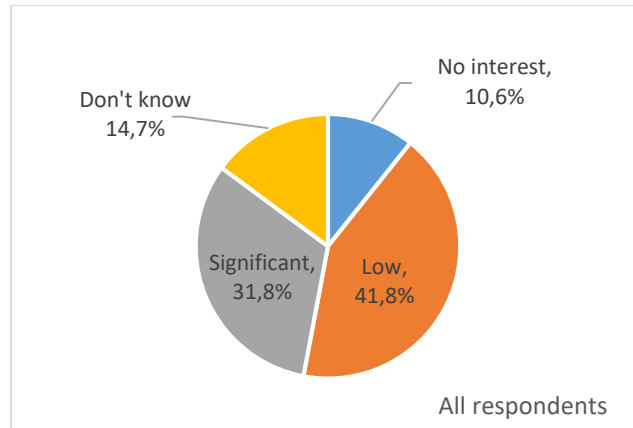
Croatia

- Certification of private forests;
- Education of private forest owners;
- Consolidation of forest ownership;
- Avoid political influence in forestry;
- Joint management of private forests;

Bosnia and Herzegovina

- Appropriate model for forest certification in private forests;
- Provide supportive funds for forest certification; Support in funds and advisory services to forest owners for FC;
- Key factor is interest of forest managers and owners for FC with supportive legal framework;
- Raising awareness for FC among forest stakeholders and wider public;
- Create national standards for FC and certify private forest owners;

Q32. According to your opinion, is there an interest of forest managers/owners for forest certification and certified forest products in your country?



On the final question about the interest of forest managers/owners for FC and certified products in the country, respondents were highly rating:

- In the countries where is not active forest certification, the highest scores are “low interest” and is from 37% in Montenegro, 53% in Albania and 57% in Macedonia;

- In the countries where forest certification is active, the highest scores are “significant” and is from 45% in Bulgaria, 47% in Croatia and 57% in BiH.

8. Conclusions

- In countries where FC is not practiced (MK, AL, MNE) there is a low interest among stakeholders, while in other the interest for FC is significant.
- In all countries there is positive feeling about FC, only in MK is negative;
- The public is reactive towards forest management in the countries where survey was conducted and often reactions are negative. FC is a toll for convincing the public opinion that forest management is applied according to best international standards.
- Highest number of respondents in all countries have confirmed that FC is contributing to SFM. Also highest number of respondents are convinced that there is demand in society to secure implementation of SFM (almost 60%).
- General level of information at forest related stakeholder groups could be on higher level. The subject of forest certification is more understood at main forest related stakeholders (policy makers, forest managers, owners and industry).
- All respondents on the interview are positive for raising awareness at customer level of what FC is and customer's impact on sustainability.
- All respondents on the interview were positive about conducting capacity development programmes for forest managers/owners in order to improve their capacity to manage forests by applying requirements for sustainable forest management.
- The PEFC scheme is suitable for small forest holders. The group certification procedures as integral part of the PEFC forest certification scheme offers a good option to the small forest holders in the region. This makes forest certification feasible for small forest holdings in private and communal ownership where costs for certification are shared under joint responsibility for fulfilling sustainable forest management.

9. Annex 1, Tirana workshop report

In the framework of the project **“Identification of opportunities and bottlenecks for forest certification at Balkan countries”** a workshop event was organized in Hotel “Mondial” in Tirana on May 16 and 17, 2017. The workshop was organized by the Regional Centre for Forestry and Rural Development (REFORD) with contribution of the Food and Agriculture Organization of the United Nations - Regional Office for Europe and Central Asia (FAO REU), Connecting Natural Values & People Foundation (CNVP) and the Programme for the Endorsement of Forest Certification (PEFC).

The purpose of the workshop was to provide opportunity to forestry stakeholders from the Balkans to share and to provide their view on the aspects of forest certification (FC), current trends, developments and obstacles on the Balkans and wider region. During the workshop they had the opportunity to see the results of the Survey that was implemented in six Balkan countries by the REFORD network members on the topic of forest certification. The workshop served as a ground for discussions to achieve more understanding among forest stakeholders on the Balkans about forest certification in relation to sustainable forest management (SFM), with specific focus on small scale forest holders.

On the workshop there were number of different representatives of organizations/institutions present:

- Forest Faculty, Tirana, Albania
- Communal and Pasture Federation, Albania
- National Association of Private Forest Owners, Montenegro
- National Association of Private Forest Owners, Bosnia and Herzegovina
- National Association of Private Forest Owners, Macedonia
- National Association of Private Forest Owners, Gorovladelets, Bulgaria
- National Association of Private Forest Owners, Slovenia
- National Association of Private Forest Owners, Croatia
- Directorate of Forestry, Montenegro
- CNVP Foundation representative in Montenegro
- CNVP Albania
- CNVP Macedonia
- FAO Regional Unit, Hungary
- PEFC International, Switzerland
- The Council for Sustainable Forest Management, Macedonia
- National Park Sutjeska, Bosnia and Herzegovina
- Bulprofor, Bulgaria
- PEFC Bulgaria
- Municipality of Pogradec, Albania

During the two days programme more than 30 participants were actively participating to share and discuss on the issues of forest certification in their countries.

The first day programme has started with welcoming words by Mr. Miljenko Zupanic, President of REFORD and Mrs. Kitti Horvath from FAO RU Budapest. Then Mr. Sasho Petrovski gave in depth presentation on the content of the Study that was executed in 6 Balkan countries (Bulgaria, Macedonia, Albania, Montenegro, Bosnia and Herzegovina and Croatia). He presented the outcomes of the country

reports about current status of forestry and forest economy, most relevant forest stakeholders in the country, strategy and legislative framework and their influence on SFM and FC, existing FC schemes and processes in the countries. Then he also presented the outcomes of 35 interviews conducted with the key stakeholders in 6 Balkan countries and results from the questionnaires conducted among 170 forest stakeholders. The main and important messages that came from the result were:

- Forest certification is very much supported among all respondents;
- There is need to prepare and implement training programmes for forest managers and especially private forest owners to be able to apply SFM;
- There is a need to work on awareness raising at customer level about their choice when they are buying forest based products and with it to support and contribute to SFM;

After presenting the results from the Study, Mr. Leonidha Peri from the Forest Faculty in Tirana has provided overview of the current situation in Albania and perspectives for forest certification in the country. Besides many obstacles he identified illegal activities and corruption as main. The lack of institutional capacities due to reorganization of the forestry sector, current system of forest management planning, prohibition to harvest wood for processing in period of 10 years and non-supportive legislation were also put as high priority. In his presentation he proposed to initiate activities for forest certification in Albania as a long term objective of the forestry sector.

After the lunch, Mr. Rajko Stefanic from NAPFO Slovenia had presented the current status of forest certification in private forests in Slovenia. He pointed on the differences between the FSC and PEFC forest certification schemes. In Slovenia private forest owners are following PEFC group certification model as more suitable for small scale forest properties and produce significantly lower costs mainly due to policy of PEFC Slovenia to provide support to forest owners instead making a profit from it. This presentation was especially valuable for other participants from the Private Forest Organizations from the region.

Then Mr. Yoto Yotov as representative of Gorovladelets – Bulgaria have presented presentation prepared by Mr. Antoni Stefanov, representative of Bulprofor and PEFC Bulgaria. They have presented what is the current trend of FC in Bulgaria where FSC scheme is prevailing at the moment, but also presenting the national process of PEFC that started as initiative in 2011 and stopped somewhere in 2012 and revival of the process in 2016-2017.

The last presenter for the day was Mr. Miljenko Zupanic from the Croatian Forest Research Institute, active also as President of REFORD. He gave overview of the current forest trends in Croatia including overview of the forest area and the number of certificates issued by FSC in Croatia. As the market in Croatia is demanding for certified timbers and the costs for FC according to FSC are high, he introduced the initiative led by several national stakeholders in Croatia to start up with PEFC national process. This process started with objective to provide more opportunities for small scale forest holders that currently in Croatia possess around 600.000 ha and from it only 22.000 are certified (FSC). As NAPFO Croatia is one of the initiators of the PEFC process they expect to have more small scale forest owners certified within group certification when the process of having national PEFC scheme is executed.

At the end of the day participants on the workshop have discussed on different topics and issues as incentives or barriers to develop FC in the region. Some of the conclusions from the discussions were as follows:

- There is high dependency on political will for the decision to go with FC in the respective countries;

- Regulatory instruments in the countries in some cases can be an obstacle for forest certification;
- The importance of forestry sector for national economy could be one of supportive factors for FC;
- A proposal was given to FAO for support in the Balkan region on development of capacity strengthening project related to forest certification;
- Forest Certification is a tool to restore governance and communication among relevant stakeholders in forestry sector;
- All forest based products can be certified, not only the timber. The positive example was given from Croatia about certification of wild mushrooms.

At the beginning of the second day of the workshop Mr. Sasho Petrovski went quickly through the programme of day one and then he gave the word to Mr. Remi Sournia from PEFC Council. With this presentation participants were able to get familiar about what PEFC is representing, what are the values, PEFC developments through the history, process of development of national standard, focusing on the fact that PEFC allows country specifics to be embedded in the national scheme (if in line with international requirements). He also focused on the current processes in the world where several countries are developing their national standards with aim to join to PEFC.

The Mr. Miljenko Zupanic have presented very interesting findings from the “Review of ownership rights in private forest” in some EU countries that was prepared by The Croatian Forestry Institute. This presentation pointed out findings from the 14 EU countries on the property rights of forest owners. This shows that even all are members of EU, there are significant differences in the national legislations of the EU countries related to private forest ownership. This also shows that not all of forest owners are satisfied with their position and ownership rights in the EU countries.

Kitti Horvath from FAO RU have provided valuable presentation to participants about FAO efforts in support to SFM worldwide. She focused on the results from the FAO project “Strengthening C&I for sustainable forest management and their use in policy and practice” resulting in development of indicators for SFM worldwide (Latin America, Near East, North Africa). The Toolbox for SFM was also presented to participants as product providing guidance, practical knowledge and resources for SFM related topics, including forest certification, criteria and indicators, forest finance, market analyses and development of forest based enterprises.



Then the President of The Council for SFM in Macedonia have presented overview of the situation in Macedonia. He explained the paths for FC in the strategy documents as well as no actions taken to

implement it. The process of development of PEFC national standard was explained in steps, so other PFO's were able to witness how the process was executed with all difficulties during development stages.

The CNVP representative in Montenegro have presented similar view of the FC processes in Montenegro. There have been two processes initiated, FSC and PEFC, but non any was executed to the end and prevailing obstacle seems to be poor interest among national stakeholders to finalize the process and start with FC.

The final presentation was provided by PFO form Republic of Srpska (BiH). The presentation gave an overview of the complex political structure of BiH, current situation with forest resources and the fact of prevailing FSC certification in state forests, but not any of private forest is certified mainly due to small size of private forest properties. From the perspective of the PFO it is a moment to start up with activities on initiating group certification for private forest owners, having in option both schemes, FSC and PEFC.



At the end of the programme all participants representing seven Balkan countries members of REFORD have concluded joint exercise. They needed to provide at least three measures/activities proposed by country (depending on the national context) replying on the question *How to help forest owners (small scale forest holders) to achieve SFM through forest certification?* Here are proposed measure/activities by countries:

Bulgaria

1. Establishment of real national organization of private forest owners (small forest owners, not cooperatives) that represents and support interests of forest owners;
2. Training of forest managers/forest owners and promotion of skills for SFM;
3. Promotion of group forest certification as suitable model for small forest owners;
4. Advocacy for supportive state policy and fair compensation measures;

Croatia

1. Development of capacity building programmes for forest advisory service and associations;
2. Development of national standards for forest certification;
3. Introduction of benefits for small forest holders (tax exemptions, subsidies);

Montenegro

1. Development of forest management plans (current are outdated);
2. Providing subsidies for forest management activities (silviculture, pest and fire protection, thinning);

3. Capacity development programmes for local and national organization of PFO;

Macedonia

1. Implement raising awareness programmes among forest owners on introduction to SFM and FC in private forests;
2. Pilot testing of group certification model to be able to analyze cost and benefits of FC;
3. Providing enabling legal environment (incentive schemes);

Republic of Srpska (BiH)

1. Creation of national standard with option for group certification model;
2. Provision of institutional support regarding FC (enabling policy, subsidy measures, trainings, information);
3. Promotional activities for use of certified wood/non wood products;

Slovenia

1. Supportive measures for forest owners that will obtain certificate;
2. Certificate shall be valid for longer period – 10 years;
3. To think how to meet expectations of forest owners to get higher price for certified products;
4. To increase promotion of PEFC scheme among forest owners in Slovenia;

Albania

1. To clear ownership titles and to provide clear ownership rights to forest users/owners;
2. To strengthen capacities of main actors in the forestry sector related to SFM;
3. To provide strategy objective on SFM and FC;

Discussion at the end of the day was opened on the topics discussed and presented above from the respective countries. The main conclusion from the discussions was that FC is needed in the region, firstly as tool for promotion of SFM and also as incentive to restore or improve forest governance and communication among stakeholders in the respective sector.

Another issue raised that is hindering forest certification was the unsolved cadaster evident in most of the Balkan countries, especially related to private forests. This issue is hindering private forest owners to engage more deeply in FC of their forests, individually or via group certification.

All participants at the workshop agreed that FC needs to be promoted more in the Balkan region, and respective institutions and organizations should work on raising awareness of general public as well among relevant stakeholders regarding forest certification and its benefits.



AGENDA for the workshop in Tirana

"Opportunities for forest smallholders in Balkan countries for participating in timber markets"

Place for the event: Hotel "Mondial" – Tirana, Albania

Date: May 16 and 17, 2017

Day 1

09.00: Welcome and introduction (Miljenko Županić, REFORD President)

09.10: Welcome, Kitty Horvath, FAO Budapest

09.15: Introduce the programme for two days (Sašo Petrovski)

09.20: CNVP, Mr. Sašo Petrovski, Balkan Survey Results, part one

10.20: Coffee break

10.35: CNVP, Mr. Sašo Petrovski, Balkan Survey Results, part two

11.15: Questions and answers on the content of the Survey

12.00: Forest Faculty Tirana, Mr. Leonidha Peri, Albania, "Forest certification perspectives"

12.30: Lunch

13.45: NAPFO Slovenia, Mr. Rajko Štefanič, „*Establishing a national scheme for forest certification with implementation of PEFC in Slovenia*«

14.15: Bulprofor, Mr. Antoni Stefanov, "Forest certification in Bulgaria"

14.45: CROUPFOA, Miljenko Županić, „Forest certification in Croatia“

15.15: Coffee break

15.30: Discussion from the day presentations

16.30: Wrap up of the day

16.45: End of the programme for the day 1



Day 2

09.00: Remind on day 1

09.10: PEFC International, Mr. Remi Sournia, *“Introducing PEFC and its benefits for the small forest owners”*

09.40: CEPF, Mr. Miljenko Županić, *“Review of ownership rights in private forest in some EU countries”*

10.10: FAO, Mrs. Horvath Kitty, *“Sustainable forest management and market access for forest smallholders”*

10.30: Coffee break

10.50: The Council for SFM in Macedonia, Mr. Vladimir Stojanovski, *“Forest certification in Macedonia”*

11.20: CNVP Foundation and MNE PFO Association, Mrs. Mensura Nuhodžić, *“Previous activities on development of PEFC and FSC MNE national standards and the main obstacles for forest certification in Montenegro”*

11.50: NAPFO Republic of Srpska, Igor Ćurčić, *“Forest certification in BiH and options for small scale properties”*

12.20: Lunch

13.20: Session for roundtable discussion

14.40: Draft conclusions from the event

16.00: Closure of the event