CNVP Macedonia



FOREST SUBSIDY PROGRAMME



Background



Private forestry in Macedonia is part of the overall forestry which is not developed as State forest sector. Even it is only 10% of total forest area (according to statistic data), forests are important for more than 65.000 forest owners (FO) in Macedonia providing firewood, construction materials and income. For many years private forestry sector was neglected by the Ministry. Development needs of FO were not considered as area for intervention by the Ministry.

The National Association of Private Forest Owners in Macedonia (NAPFO) took the responsibility to represent the interest of FO in Macedonia. NAPFO is organized in network of 23 local organizations throughout Macedonia, representing more than 1.600 registered members. One of the objectives of NAPFO is to deliver wide range of services to FO.

Starting from 2008 NAPFO has started to advocacy at Ministry to provide mechanism to support sustainable forest management (SFM) in private forests. As a result of process of advocacy, in 2009 Ministry have provided opportunity for FO to submit proposals in to annual program for support to SFM. Therefore, NAPFO with support of SNV made their first effort to assist to their members in preparing program proposal and submission to Ministry.

NAPFO have contacted internal membership and selected two FO to be part of effort to obtain subsidy for SFM in private forest. One of forest owners was coming from Berovo branch and the other from Probistip. In both cases the forest selected for subsidy was conifer stand where pre commercial thinning was planned to be implemented. In this kind of forests that are in age below 30 years silviculture activities usually results with more cost then benefit from forest operation. That's why pre commercial thinning is subject of support from Ministry fund. NAPFO with support of SNV advisors went on the field to collect field data about forest stand condition as age, number of trees, height, width, health condition, natural regeneration etc. Based on the data collected from a field, program proposals were prepared and submitted with all other necessary documents to Ministry for approval. Beside of program, NAPFO was supporting a program submitted with letter of support to their members. When programs were approved and FO contracted by Ministry, implementation was possible to start. After careful selection of trees to be felled, FO has implemented a thinning operation. The process finished when forestry inspection confirmed that all requirements according to contract with Ministry were respected and FO were able to receive the subsidy. The amount of subsidy was 200 euro/ha, enough to cover the costs of pre commercial thinning. In both cases FO were very satisfied from the whole process and NAPFO itself because for the first time private forestry was supported from the Ministry. That was possibility for NAPFO to start promoting new policy and opportunity for their members. This positive experience was presented internally at association and resulted with high interest among FO for 2010 year.





The Ministry annual program for 2010 has provided space to support FO in afforestation of 50 ha of bare lands exposed to risk from erosion and for pre commercial thinning on 50 ha. The amount of support for afforestation was 1.000 euro/ha and 200 euro/ha for pre commercial thinning. Usually annual program is announced at official gazette and very limited number of FO was informed about the program. NAPFO took the responsibility for spreading out the information about the subsidy. Beside through their regular contacts with the network of branch organizations, NAPFO have announced this opportunity on their web page and in their newspaper and many FO from Macedonia started to ask for support. NAPFO was offering to FO assistance in field data collection, completion of papers required by Ministry and submission of program. Beside that NAPFO extended the range of their services and support. NAPFO have contacted seedling producers and provided good offer to FO for buying seedlings for afforestation. NAPFO succeed to negotiate with seedling producers guarantee about payment to be executed when subsidy will come from Ministry. In the same time, delivering the services NAPFO was working on improvement of their financial sustainability. For any subsidy program support to FO NAPFO was earning fee of XX euro, receiving when subsidy was paid to FO. In addition they succeed to negotiate to receive fee from seedling producers for mediation with FO in supply of seedlings. In 2010 FO have implemented 18 programs supported by subsidy and have received total amount of 12.060 euro.

<u>Marinko Kostovski</u>: The idea for afforestation of this parcel is 30 years old. I told to my father before he died to leave me just this parcel. With these words "I don't like any other land, I only like this one so I can make a nice forest". But that didn't happened. After he past away, I as the oldest son divided the whole land that he owned on 5 equal parts and write on 5 pieces of paper. On the end I pull piece of paper and this parcel was on the paper. So the dream for afforesting this peace of land becomes true.





The whole chain of service delivered from NAPFO was working perfect, in interest of all parties. Ministry has finally found a partner to cooperate on issues related to private forest management. NAPFO was fulfilling their mission to become service oriented organization to their members. FO had opportunity to get support for implementation of SFM measures improving the quality of forest stands and planting forest on lands that were not productive and used for agriculture.



	nr of members	total surface	total surface	total amount
2011	III of members	afforest. (ha)	thinning (ha)	subsidy in euro
Berovo	9	9,51	1,42	9.865
Kratovo	2	2,25		2.250
Probistip	9	9,63		9.630
Sveti Nikole	6	5,65		5.650
Konce	2	1,96		1.960
Gostivar	1	1,17		1.170
Kavadarci	1	0,90		900
Kicevo	2	2,58		2.580
Total	32	33,65	1,42	34.005
	nr of members	total surface	total surface	total amount
2012		afforest. (ha)	thinning (ha)	subsidy in euro
Berovo	1		0,95	240
Kratovo	5	4,64		4.640
Probistip	5	3,37		3.370
Sveti Nikole	7	9,03		9.030
Pehcevo	2		1,56	390
Total	20	17,04	2,51	17.670

In 2011 and 2012 NAPFO has extend their support to more FO all over the country.

The interest of FO to use subsidy support from Ministry was lower in 2012 due to budget cuts in Ministry in 2011 which resulted with late payment of subsidy from 2011, somewhere in mid 2012. These late payments discourage FO for submitting programs in 2012.

Beside service provision to FO, NAPFO has earned more benefit with this engagement. They become a partner to Ministry in drafting annual subsidy program. Not only that, but cooperation have created an atmosphere of confidence and respect among both sides. In years before, NAPFO and Ministry were often in situation of dispute and misunderstanding. Having this positive experience, other PFO from the region were learning from this example and using it to convene in their countries for similar tools for support to SFM in private forests.

With the engagement of providing services to forest owners for forest subsidy programs, NAPFO has fulfilled several <u>objectives</u>:

* Improved Sustainable Forest Management practices

Through the activities on the field on data collection and programme preparation, NAPFO gained knowledge and experience on why and how thinning operations in forestry are contributing in better quality and quantity in forest products. The awareness of the importance on the provision of silviculture measures in forests is now higher among members of NAPFO.

* Improved service delivery to PFO

With this activity NAPFO has improved the service delivery to their members. FO were able to fulfil requirements of Ministry to apply for subsidy programme and to implement SFM activities on the field on a way that is acceptable for Ministry to deliver support according to contract.

* Improved enabling environment

With submission of the programmes to the Ministry a discussion was initiated on the procedures and documents required. The Ministry has accepted the formats adopted and proposed by SNV and NAPFO to be used for application of subsidy. Ministry has adopted



quantities for specific points for support, increasing the quota for afforestation programs as requested by FO via NAPFO structure.

* Improved organizational structure of NAPFO

With this activity NAPFO has fulfilled the representation role. They were the link between Ministry and forest owners. NAPFO focused on advocacy a lot in the past, dealing with the needs of forest owners for support. They have proved that forest owners take care and have interest to sustainable forest management.

With this activity provided, impact can be foreseen on:

*Increased income from private forests

As introduced above, within years of 2009-2012 more then 70 forest owners have received subsidy of about 65.000 euro. This was obtained directly as income for the subsidized activities undertaken. Additional wood was obtained from the thinning, while the forest structure in the stand was improved with thinning. With afforestation activities farmers have activated its land resources since the quality was poor and the land was not used.

*Improved products and services from private and decentralized forest

Provision of silviculture measures in forests have influence on the improvement of the structure in the forests and also speed up natural processes of selection. Sustainable thinning operations are improving the structure of the remaining stand and contribute to better products coming from the private forests in the future. The forest owners will be able to provide higher quality products, which is also benefitting wood industry.

On other hand, following sustainable forest management practices, private forest are increasing the environment and social requirements.





Working together to grow a canopy of trees providing home, shelter, food, a livelihood as well as a place to wander
CNVP, a The Netherlands based foundation, is a legacy organisation of SNV in the Balkans. Established through a legal demerger, CNVP will continue the SNV forestry and rural development programme in the Balkans and beyond. CNVP envisions:
 Local communities achieving their own development goals;
 Maximising the production and service potential of forests through Sustainable Forest Management and locally controlled Natural Resource Management;
 Forests contributing to equitable local economic development supporting rural livelihoods;
 Forests contributing to wider societal interests and values including biodiversity conservation and wellbeing;

• Connecting natural values and people!

Connecting Natural Values & People

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