RUSSIAN FOREST SECTOR OUTLOOK STUDY TO 2030: LESSON LEARNT FROM COOPERATION WITH FAO

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Russian:

http://www.fao.org/docrep/016/i3020r/i3020r00.pdf

English:

http://www.fao.org/docrep/016/i3020r/i3020r00.pdf

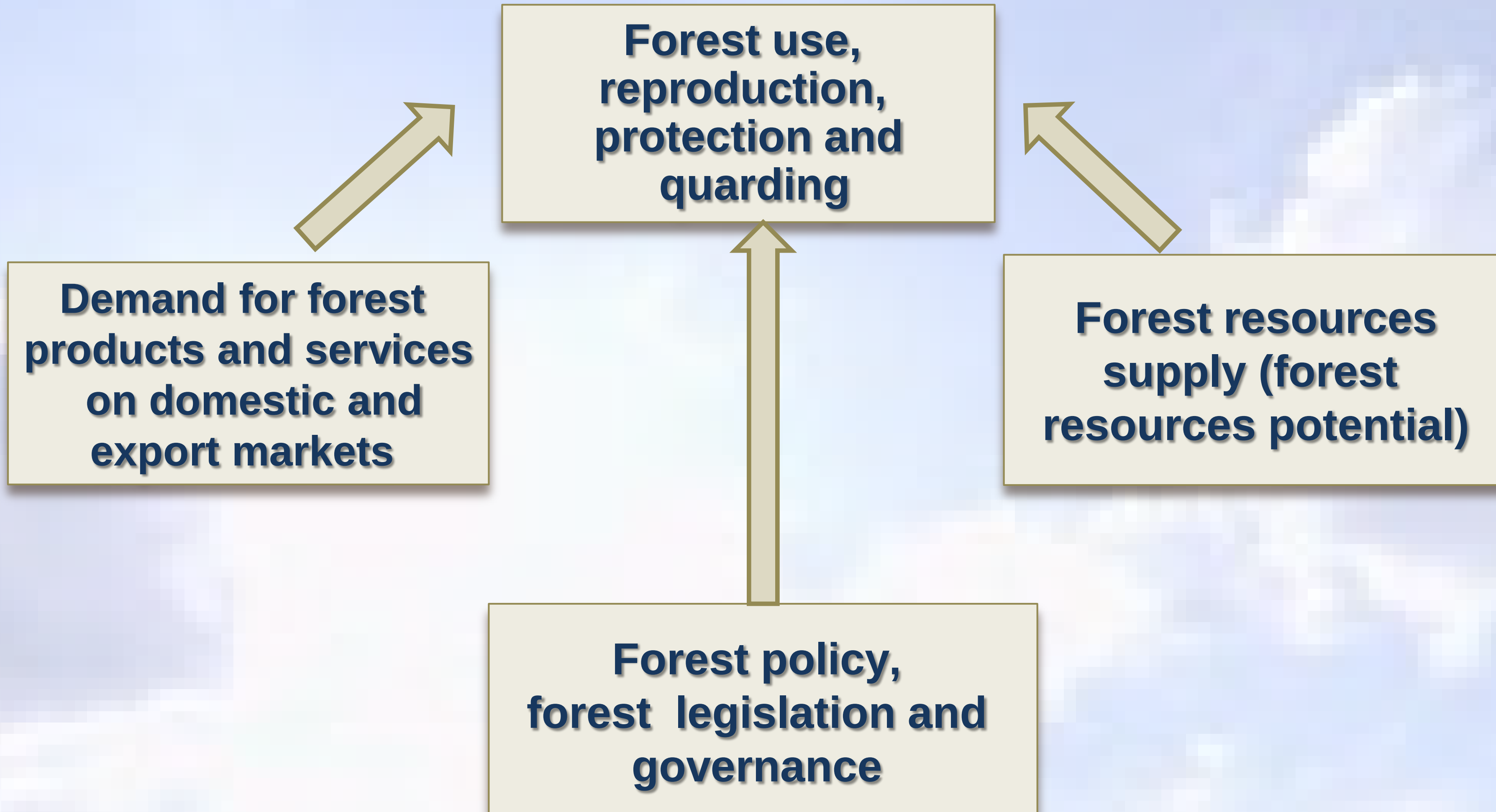
INSTITUTION ORGANISATION OF FOREST SECTOR OUTLOOK STUDY

1. The Idea to carry out the Russian Forest Sector Outlook Study belongs to FAO.
2. This idea was supported officially by the Federal Forest Agency of the Russian Federation.
3. FAO presented consulting services and financial support.
4. Period of study: September 2011-June 2012.
5. Supervising Committee (7 persons) was appointed to present federal authorities, business, international and nongovernmental organizations.
6. 22 russian experts contributed to the study. They represent 11 research, education and nongovernmental organizations.
7. The information concerning forest resources inventory is provided by the federal authorities.
8. The study has been carried out following democratic procedures and freedom of discussions.
9. Three seminars took place in order to present and discuss different opinions and proposals.

RUSSIAN FOREST SECTOR AS A OBJECT FOR LONG-TERM PLANNING

1. Forest resources supply for economic use exceeds the forest demand.
2. Economic inaccessible resources occupy the large areas.
3. Ecological burden on forest has global value.
4. Forest land is under public ownership.
5. Public-private partnership is political base to manage forest

CONCEPTUAL APPROACH TO FOREST SECTOR DEVELOPMENT STUDY



WHAT FACTOR INFLUENCE TO FOREST SECTOR DEVELOPMENT

1. Demand for forest products is not recognized as driving force to develop forest industries.
2. There is a shortage of normatives to estimate cost and revenues for the whole production chain (forest site –end forest products)
3. There are a lot of factors acting against market competition.
4. Rather unstable forest and joining legislation.
5. The forest resources management is under common competence of the Russian Federation and Subjects of Russian Federation.

SCENARIOS OF FOREST SECTOR

1. DEVELOPMENT UNDER INERTIA

Forest sector keeps existing trends of wood consumption, wood supply and demand in domestic and export markets, volume of investment and leasing system to access forest resource. As result the forest sector will be outside economic and political priorities with low contribution to gross domestic revenue (about 1,3% in 2010).

2. INNOVATION SCENARIO

- **Innovation development based on the high annual rates of macroeconomic indicators growth.**
- **The low level of annual growth of gross domestic revenue will be higher than 4%.**
- **Under this scenario main factor to develop sector will be growth of demand for wood products in the domestic market under state support.**
- **Substitution of forest leasing system by concessions and forest privatization are considered as additional stimuluses to keep the high rates of output production and investment.**

3. TRANSITION SCENARIO

- **This scenario will take place when it would be necessary to overcome negative consequences of unpredictable political and economical events on the global and national levels.**
- **Under transition scenario existing system of forest management is to be revised and technological processes in forest industries are to be modernized.**
- **During transition period forest sector is to be adopted to the WTO principles.**

ACTIONS NEEDED TO ENSURE THE TRANSITION FROM DEVELOPMENT UNDER INERTIA TO INNOVATION SCENARIO

1. Development of property rights for forest land
2. Improvement of public-private partnership
3. Involment of civil society into forest management
4. Improvement of forest legislation and governance
5. Forest certification implementation.

DYNAMICS OF FOREST SECTOR DEVELOPMENT, 2010-2030

№	Branches, indicators	2010		Percent to 2010		
		Unit	Volume	By inertion	By transition	By innovation
1.	Wood harvesting	Mln. m^3	174	133,6	149,0	173,1
2.	Sawngoods	Mln. m^3	19	149,0	208,5	268,0
3.	Plywood	Mln. m^3	2,7	149,2	182,6	205,7
4.	Particle board	Mln. m^3	5,5	158,8	202,8	214,2
5.	Fiber board	Mln. m^3	1,6	167,7	191,6	251,5
6.	Pulp for sale	Mln.t.	2,1	157,1	159,5	185,7
7.	Paper and paper board	Mln.t.	7,75	189,6	242,6	367,7
8.	Wood consumed to produce energy	Mln. m^3	32,0	146,3	182,5	233,1

LESSONS LEARNT FROM FOREST SECTOR OUTLOOK STUDY ELABORATION

1. Three scenarios are not able to present the influence of all political, economical, ecological and social factors.
2. Modules to design demand and supply in forest sector were not used.
3. The main attention has been paid to economic estimation of forest resources. The ecological and social values are not enough presented.
4. Regional forest authorities and private business were not active presenting information and ideas.