

**RMK Development Plan
for years 2009–2012**

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The current document has been approved at the meeting of the Supervisory Board of RMK on 12 September 2008.

1. Necessity of RMK Development Plan

1.1. Functions of RMK

The State Forest Management Centre (hereinafter referred to as RMK) is a governmental profit-making institution established with the Forest Act in 1999, the task of which is managing state forest and facilitating opportunities for versatile use thereof. The organisation of the management of RMK as well as the rights and obligations as the manager of the forest have been established with the Forest Act. Also, Riigikogu has agreed that the objectives for the management of state forest shall be defined with a national development plan for forestry. Valid Estonian Forestry Development Plan for the years up to 2010 formulates as versatile use of forest and forest products as possible as the objective of RMK, whereas:

- a) Social objectives include the use of state forest on the basis of everyman's right and ensuring versatile employment, also national defence;
- b) Environmental objectives include taking the surface area of state forest to at least 20% of the surface area of the mainland, monitoring the set protective restrictions when managing forests and monitoring protection requirements and thereby reducing damages to forest;
- c) Economic objectives include earning public revenues, sale of products of forest management at the market price and performing the works required for managing state forest with the economic efficiency comparable with private enterprise.

As restrictive conditions the national development plan formulates a prohibition to independently amend the intended purpose of the state forest land (in order to avoid a situation where RMK might start to engage in more profitable uses of land instead of forest management) and to participate in wood processing. In order to achieve a higher efficiency and to ensure a better traceability of economic activities the national development plan sets out a possibility of establishing companies belonging to RMK; in its main activity RMK continues as a governmental profit-making institution.



1.2. Preparing the RMK Development Plan

Pursuant to the Forest Act the Supervisory Board organises the strategic management of RMK, by approving the Development Plan of the organisation and monitoring the observance thereof. The Development Plan valid at the moment has been approved by the Supervisory Board of RMK in 2006; the period of validity of the Development Plan has been set for 4 years (2007–2011).

Although four years is a very short time taking into consideration the growth cycle of the forest (in several sites the forest increment becomes negative at only 100 years of age), such cycle is optimal for managing the organisation and for assessing the activities. Development Plan is reviewed annually and adjusted as appropriate.

The Management Board submitted an assessment for the performance of the first year of the Development Plan to the Supervisory Board in January 2008 (Annex 1). General assessment regarding the delivery of the set objectives was positive (the objective was exceeded above all regarding the financial result), at the same time the analysis pointed out large-scale shortcomings at performing various works related to the main activity. For example, it becomes evident from the analysis that the volume of thinning was completed only in the extent of 51% from the required and in the extent of 72% from the planned.

When assessing the effectiveness of the valid RMK Development Plan it must be admitted that the document describes the scope of various activities and the tasks set for implementing these in great detail. Also the mission of the organisation covering all activities has been formulated – ensuring a balance between environmental, social and economic principles. At the same time such comprehensive definition leaves objectives relatively open for interpretation and also leaves the connection between individual activities and the mission ambiguous.

As rearrangements affecting significantly the organisation of the management of the institution have been initiated, it is highly important to review the nature of the tasks set upon us and to make sure that the execution of the tasks is similarly understood both within the organisation as well as by various stakeholders connected to the management of state forest. The current document aims at describing shortly the objectives of the activity of both the organisation as well as the various operating areas thereof – silviculture, nature preservation, the production of reforestation materials, hunting – and the stages for the delivery of these objectives during the next four years.

The initial version of the document was prepared as a result of the consultations held with the working groups of RMK and stakeholders in June 2008. After a discussion in the Supervisory Board of RMK, the Management Board organised the disclosure of the document. The draft of the Development Plan was available at the website of RMK, where a respective forum was also opened for discussions and comments. Meetings were held with several members of stakeholders connected to forestry (e.g. Council of Environmental NGOs, Forest Industries Association, Private Forest Union); in addition, the principles of the Development Plan were introduced at public appearances (e.g. jubilee ceremony of Luua Forestry School, seminar in the Institute of Forestry and Rural Engineering of Estonian University of Life Sciences). A more detailed overview of the process of the Development Plan is presented in Annex No 2 of the document.

2. Description of the operating environment

2.1. External factors influencing the activity of RMK

In order to assess the Development Plan and to bring it into compliance with the interests of the society the Management Board of RMK launched a comprehensive consultation process in autumn 2007. By the cooperation of the employees of the organisation and the representatives of external stakeholders the perspectives of the operating environment of RMK and the significant factors affecting the operation were assessed. In addition, the public discussion organised in November was aimed at receiving an overview of the expectations of stakeholders towards the activity of RMK. Perhaps the most important result of the consultations could be the fact that the preservation of natural environment and forest management are required to be seen as an entirety, where one does not exclude the other, but serves as a supporting activity if possible. This way it is possible to improve the living conditions of plant and animal species living in the forest with silvicultural methods, at the same time when utilising the natural processes it is possible to achieve better silvicultural results (e.g. preferring mixed stands over pure stands).

The activities of RMK are to a great extent influenced by the volume of timber to be cut from state forest and the price received for it at the market. Both the first as well as the second are indicators independent of RMK – the volume of timber to be cut is established by the Government of the Republic proceeding from the valid norms, the price of timber is formed at world market – thus making economic forecasts is above all of a high speculative value.

Based on the best existing knowledge, when planning the activities it is reasonable to proceed from the principle that the state forest's timber use is consistent also during the period of the next four years (ca 2.5 million cubic metres) and that the price of timber remains at the current price level also in a longer perspective (ca 800 kroons per cubic metre). At the same time it must be taken into consideration that since choosing forest stands for cutting will be based more on the silvicultural needs when compared to the practice so far, thus in the future the cutting fund shall include more timber of fine-scale and deciduous tree than currently. However, the realization of the latter shall reduce the estimated average price of timber to be sold.

Expanding the activities of RMK can proceed only within the scope of the main activities if the competency required for that is available or it can be achieved in synergy with other organisations. When making decisions regarding possible additional activities the volume of financial commitments of RMK in front of the state budget must also be reviewed beforehand.

2.2. Work environment and employees

The function of RMK is to perform the obligations set upon the institution by the society with laws or other legal acts in the best possible manner. For that it is necessary to develop a proper organisation and to ensure its manning with qualified and motivated employees.

Also in the future RMK will above all remain the organiser of state forest management; performance of the practical works will be mainly contracted from partners of private enterprises. Works of silviculture and nature preservation that require especially high professional preparation will be performed with RMK's own employees. Also required manning and know-how will be kept in the organisation, which ensure objective comparative information for assessing the cost and quality of outsourced works.

In order to achieve the economic efficiency comparable with private enterprise we consider the structural changes implemented in the first half-year of the current year to be the factors establishing prerequisites required for the delivery of the objectives; the final fulfilment of the objective – 12 000 cubic metres and 4000 hectares per administrative employee of silvicultural function – will be achieved by taking the surface area of state forest managed by RMK to 20% of the surface area of the mainland.

Motivation of employees is ensured by a wage level competitive at the labour market and contemporary work environment and working conditions. Main values of RMK and the organisation policies aimed at employees must ensure a will to work in RMK and to make one's best efforts in order to deliver common objectives.

In order to define common value principles environmental, social, economic and HR policies of RMK will be formulated during 2008-2009.¹



1 Until the formulation of new policies the existing policies apply.

3. Objectives of the organisation

3.1. Increasing the area of state forest

Estonian Forestry Development Plan for the years up to 2010 foresees increasing the surface area of state forest to 20% of the surface area of the mainland. Today the surface area of state forest to be managed by RMK is 817 000 hectares, which forms ca 18% of the territory of the mainland. At the same time the country has an estimated 200 000–300 000 hectares of the so-called forest land continually in the ownership of the country regarding the future of which a final decision has not yet been made.

Actions have been launched in the administrative fields of the Ministry of Environment, according to which these forest lands will be left for the state and RMK will be assigned as the governor thereof only in case these are larger areas adjacent to indigenous state forest land or located in uniform expanse. The objective of RMK is to achieve the limit of 20% (+100 000 ha) through these areas, for that to assess the existence of these areas and to enter these into the cadastre and to conduct the inventory of the forest located thereon, incl. their natural values, as a preliminary act required for forest management.

No	Objective	2007	2008 ²	2009	2010	2011	2012
3.1.1	Assessment and choice of forest land continually in the ownership of the country (thousand ha)	-	-	100	-	-	-
3.1.2	Entering forest land to be transferred to the management of RMK into the cadastre (thousand ha)	-	-	-	50	50	-
3.1.3	Inventory of forests to be transferred to the management (thousand ha)	-	-	-	-	50	50

3.2. Preserving the biological diversity of the forest

Estonian forests, incl. state forests, are characterised by their great natural diversity and species diversity. Although for decades state forests have been managed as large expanses, on the basis of the division resulting from the survey features of forest stands also the area of a compartment in state forests is on the average only 2.5 hectares. Such division of forests establishes a possibility for the formation of diverse communities through the emergence of transfer and buffer zones, yet at the same time sets high demands for economic activity.

One of the indicators of the biological diversity of state forests is also key biotopes, which RMK must not damage with its economic activity. Preserving the biological diversity of forests familiar to us must be considered the main function of RMK. The activities of RMK in delivering the objective are assessed through adherence to the restrictions regarding nature conservation and preservation of key biotopes. General environmental monitoring tools available in the administrative field of the Ministry of

² Hereinafter in case of the availability of comparable data an actual result has been presented for 2007 and estimated budgeted result has been presented for 2008.

Environment are used for assessing the adequacy of the restrictions and the extent of activities and, if necessary, new ones are established.

No	Objective	2007	2008	2009	2010	2011	2012
3.2.1	Number of violations of legal provisions on nature preservation	-	-	0	0	0	0
3.2.2	Number and area of key biotopes does not decrease due to the economic activities of RMK	-	-	Yes	Yes	Yes	Yes

3.3. Operating according to the requirements of international sustainable forestry

International attention and the resulting high demands for the forest management globally set expectations also to the management of state forests of individual countries, incl. Estonia. Consumers of forest products increasingly value the implementation of sustainable principles in the activities of forest managers; in addition to getting a better overview, through cost management contemporary management systems complying with standards also contribute to managing more economically.

As an international recognition the FSC sustainable forest management and ISO 14001 environmental management system certificates were awarded to RMK in 2002. Compliance with the requirements of both of these standards needs to be ensured also in the future. Also, in order to ensure balance, if possible (requires the availability of accredited system and certifiers), we also assess the compliance of our activity with the European sustainable forestry standard (PEFC) and we bring our management into compliance with the requirements of a general management system ISO 9001. It must be emphasised separately that the implementation of international sustainable forestry standards contributes also to the delivery of the objective set in the previous item of the Development Plan – preserving the biological diversity of the forest.

No	Objective	2007	2008	2009	2010	2011	2012
3.3.1	Keeping the certificate of sustainable forestry of FSC	Yes	Yes	Yes	Yes	Yes	Yes
3.3.2	Keeping the ISO 14 001 certificate	Yes	Yes	Yes	Yes	Yes	Yes
3.3.3	Acquiring the certificate of sustainable forestry of PEFC	-	-	-	Yes	Yes	Yes
3.3.4	Acquiring the ISO 9001 certificate	-	-	-	Yes	Yes	Yes

3.4. Facilitating opportunities for versatile use of forest

In the entire world forestry practising alternative uses is emerging next to the traditional silviculture aimed at the production of timber. Also based on the example of Estonian state forest it must be approvingly recognised that the connexion of Estonians with the forest is rapidly changing – in 2007 the number of visitors to RMK's recreation areas was more than 800 000, which is by one-third more when compared to the data of the previous year.

Resources of forest berries and mushrooms, also herbs, and the volume of gathering thereof have not been assessed. At the same time the share of timber in national economy and the stabilizing role of state forest therein must definitely be continually assessed; also the related employment. The latter is above all significant in rural areas, where modernizing also other practised economic activities has inevitably brought about a decrease in employment and higher demands to the employed.

Under a possibly versatile use of forest RMK can treat various types of use, by separately assessing their volume and the number of users/people engaged (pointed out as separate items by fields of area). It must also be admitted that the entire potential of the versatile use of forest has not been realized and the task of RMK is to improve the availability of the existing possibilities of the use of forest and to additionally assess the resources of the by-products of forest and the utilization potential thereof.

3.5. Efficient organisation of management

Efficiency of management is ensured by a structure suitable for the organisation of works, availability of modern tools corresponding to the needs, and the motivation of employees. In order to fulfil all the three aforementioned prerequisites RMK will carry out the required organisational rearrangements in 2008; impact of the rearrangements can be assessed through performed works (by the indicated fields hereinafter) and customer and employee satisfaction. At the expression of the latter we today consider achieving a competitive wage level to be the most important, but also the development of the organisational policies named in item 2.2 of the current document and thereby a higher recognition of employees' contribution.

No	Objective	2007	2008	2009	2010	2011	2012
3.5.1 ³	Comparative management efficiency by fields operating areas with other managers of state forests of Europe	No	No	Yes	Yes	Yes	Yes
3.5.2 ⁴	Employer's reputation in the top ten of respective studies	Yes	Yes	Yes	Yes	Yes	Yes
3.5.3 ⁵	Wage level above wage market median	No	No	Yes	Yes	Yes	Yes

³ When preparing the RMK's rearrangements of 2008 the efficiency of management was assessed, for that using the data of the organisation EUSTAFOR, an association uniting the managers of state forest of Europe. EUSTAFOR is currently preparing a common methodology, after the completion of which it will be possible to conduct similar assessments systematically in the future.

⁴ Results of the respective studies of AS EMOR have been used as the basis for assessing the employer's reputation.

⁵ Results of the respective studies of Fontes PMP AS have been used as the basis for assessing the employees' wage level.

3.6. Increasing awareness regarding forestry in the society

Due to the rapid increase of prescribed cut of the end of 1990s and the beginning of 2000s and the accompanying violation of provisions of forestry law the reputation of forestry as a whole is low (the results of the last respective study are available in Annex 3). At the same time for Estonians the forestry has long-term traditions and due to that forest and the use of forest has a deep meaning for the society. Thus restoring the reputation of forestry complying with good forest management practices through practising these and increasing the awareness of the population is the task of RMK as the largest forest owner.

No	Objective	2007	2008	2009	2010	2011	2012
3.6.1	Increasing the reputation of forestry	-	Basic research	2008+	2009+	2010+	2011+

3.7. Research and development activities

Contemporary forest management is characterised by the versatility of the use of forest and the small environmental impact resulting from the activities; educated and competent employees and cost-effective technologies. The changing environmental and economic conditions require flexibility and innovation from forest managers, but also new knowledge for coping with the changing circumstances.

In order for the capability of practising sustainable forestry to preserve and develop in RMK, one of the objectives established is to support forestry-related applied research and education in forestry. Identifying the priorities of forestry-related applied research and assessing the financing applications takes place in the scientific council of RMK consisting of recognised professionals. The main criteria for contributing to forestry-related research and development activities is the number of innovations applied in practice and the volume of budgetary resources planned for the delivery of the given objective.

In order to support education in forestry RMK has established a grant named after Heino Teder, which is awarded each year to two students of Master's Studies in forestry, and a grant named after Toomas Ehrpais, which is awarded each year to one student enrolled in vocational training in forestry. Summary of the biographies of Heino Teder and Toomas Ehrpais is available on page 19.

No	Objective	2007	2008	2009	2010	2011	2012
3.7.1	Number of innovations applied in practice	-	-	≥0	≥0	≥0	≥0
3.7.2	Volume of financing applied research	-	-	≥1	≥1	≥1	≥1
3.7.3	Grant named after Heino Teder to two students of Master's Studies in forestry 'a 50 000 kroons a year (thousand kroons)	-	-	100	100	100	100
3.7.4.	Grant of vocational training named after Toomas Ehrpais 'a 30 000 kroons a year (thousand kroons)	-	-	30	30	30	30

4. Objectives of operating areas

4.1. Operating area of silviculture

Pursuant to the project of amendments to the management system of the organisation approved by RMK Supervisory Board in January this year the former operating area of forest management is divided into three – forest administration, forest management and timber marketing. The activities of all these operating areas have been organised with separate structure, budget and tasks set upon them.

4.1.1. Forest administration

The objective of forest administration function is to ensure that all the interests related to the versatile use of forest (incl. preserving nature and environmental protection) are taken into consideration in managing forest and that diverse opportunities for the use of forest are established. As a result of activities of forest administration the structure of spruce stands, pine stands, birch stands and broad-leaved deciduous tree stands of state forests is preserved, the preservation of biological diversity of forest is ensured, and the volume and quality of production of timber in state forest is increased.

In order to deliver the objectives the operating area of forest administration organises the collection and administration of information regarding state forests in a way that the availability of data complying with the requirements of forest survey management is ensured for the entire state forest managed by RMK. Based on the collected information long-term (10 years) forest management plans for all forest districts (17) will be compiled by consulting with stakeholders of local and national level.

Each year based on the silvicultural needs a list of forest works by tree species and age classes (i.e. economies) is prepared and assessed, which serves as a basis for setting silvicultural task for the operating area of forest administration. Similarly to the forest administration plans, long-term forestry improvement programmes are compiled, based on which forest drainage systems and road networks are brought into compliance with the required level.



No	Objective	2007	2008	2009	2010	2011	2012
4.1.1.1	Conduct inventory of state forest pursuant to requirements of forest survey management	100%	100%	100%	100%	100%	100%
4.1.1.2	Long-term forest management plans by forest districts	-	-	25%	50%	75%	100%
4.1.1.3	Long-term programme for performing the forestry improvement works	-	-	25%	50%	75%	100%
4.1.1.4 ⁶	Surface area of reforestation (ha)	4,727	4,832	8,400	8,400	8,400	8,400
4.1.1.5	Surface area of maintaining young growths (ha)	11,836	12,860	13,000	14,000	15,000	16,000
4.1.1.6	Surface area of thinning (ha)	7,659	10,177	10,000	12,000	14,000	16,000
4.1.1.7 ⁷	Surface area of regeneration cutting areas (ha)	6,056	7,657	8,400	8,400	8,400	8,400
4.1.1.8	Number of forest notifications not approved in Environmental Authority	-	-	<0.05%	<0.05%	<0.05%	<0.05%
4.1.1.9	Volume of work sites covered with forest notifications transferred to the field of forest management when compared to the objective (4.1.1.4-4.1.1.7)	-	-	110%	110%	110%	110%

⁶ Up to now the volume of reforestation works (planting and sowing) performed during the current year have been planned and monitored, which is why the given number differs from the surface area of regeneration cutting.

⁷ The regeneration cutting area for 2009-2012 pointed out in the table has been calculated on the basis of the methodology introduced in the Forest Act, proceeding from the division of age and species communities of the forest; according to the terms of setting the cutting areas and the accessibility of the forest it is justified to expect the cutting to be performed in the extent of 90–95% of the optimal calculation.

4.1.2. Forest management

The objectives of forest management is function is to be an as efficient as possible organiser of forest management activities in the state forests and to organise all the forest management works foreseen by the forest administration function according to the specified conditions (deadline, quality).

No	Objective	2007	2008	2009	2010	2011	2012
4.1.2.1	Volume of performed reforestation	100%	-	100%	100%	100%	100%
4.1.2.2	Volume of maintained young growths	102%	-	100%	100%	100%	100%
4.1.2.3	Volume of performed thinning	72%	-	100%	100%	100%	100%
4.1.2.4	Volume of performed regeneration cuttings	92%	-	100%	100%	100%	100%
4.1.2.5 ⁸	Average cost of reforestation (kroons per ha)	6,213	7,583	<2008	<2009	<2010	<2011
4.1.2.6	Average cost of maintaining young growths (kroons per ha)	2,055	3,024	<2008	<2009	<2010	<2011
4.1.2.7	Average cost of thinning (kroons per ha)	217	279	<2008	<2009	<2010	<2011
4.1.2.8	Average cost of regeneration cuttings (kroons per ha)	135	159	<2008	<2009	<2010	<2011
4.1.2.9	Compliance of forest roads with requirements	-	-	Inventory	80%	90%	100%
4.1.2.10	Number of non-compliances with provisions of forestry law in forest management	-	-	0	0	0	0

⁸ When calculating average costs the actual costs has been presented for 2007 and the budgetary planned cost has been presented for 2008; in case of reforestation the average cost of reforestation has been presented. When comparing the costs hereafter the constant costs or the inflation-adjusted costs reduced to similar natural conditions shall serve as the basis.

4.1.3. Timber marketing

The objective of the marketing function is to sell all the timber to users who are able to provide as much added value as possible, by using selling methods and strategies that contribute to the stability of the timber market and to a continuous investment attractiveness. In addition to achieving as high price as possible when selling timber, the objective of the function is also to find utility possibilities related to timber and product development.

The volume of timber to be sold depends on the harvest established to state forests and for the choice of forest stands for cutting made on the basis of silvicultural needs. On the basis of the abovementioned objective of preserving the principal tree species of forest stands regarding spruce, pines, birch and broad-leaved deciduous trees it is possible to forecast the yield of various forest materials from cutting at the same level as today. However, due to weather conditions there can be fluctuations of cutting areas and consequently between the emerging assortments in individual years.

No	Objective	2007	2008	2009	2010	2011	2012
4.1.3.1	Volume of timber to be sold (million cubic metres)	2.0	2.4	2.5	2.5	2.5	2.5
4.1.3.2 ⁹	Cost of timber by articles (kroons per cubic metre)	782	800	≥2008	≥2009	≥2010	≥2011
4.1.3.3	Share of long-term contracts as an average of all articles	50%	58%	75%	80%	85%	85%
4.1.3.4	Share of the sale of final stock	55%	71%	90%	95%	98%	98%
4.1.3.5	Number of delivery reclamations	<0.05%	<0.05%	<0.05%	<0.05%	<0.05%	<0.05%
4.1.3.6	Sale of cutting areas/ tree stumps / brush (thousand cubic metres)	14	21	75	100	125	150

⁹ As at the budgeting the proportions of articles approximately similar to previous year have been used, this table presents an average price of all articles. At further comparison the prices of logs, paper wood and firewood shall be monitored separately.

4.2. Operating area of nature management

The objective of nature management function is to contribute with its activities to increasing population's awareness of nature and the preservation of nature, thereby reducing the impacts accompanying the use of forest to the ecological system of forest, to improve people's health and to provide satisfaction through enabling moving around in nature supported by everyman's right.

No	Objective	2007	2008	2009	2010	2011	2012
4.2.1	Number of people participating in the nature education programme by RMK (thousand)	18.5	19.5	25	28	30	32
4.2.2	Number of various nature programmes	53	60	85	120	140	160
4.2.3	Number of forest visits at the recreational and nature conservation objects of RMK (thousand)	820	750	850	900	950	1000
4.2.4	Satisfaction of visitors (on a scale of 1 to 5)	4.2	4.0	4.2	4.3	4.4	4.5
4.2.5	Carrying capacity of nature (index)	< allowable	< allowable	< allowable	< allowable	< allowable	< allowable
4.2.6	Cost per visit (kroons)	34	48	48	50	52	55

4.3. Operating area of the production of reforestation materials

The objective of the function of the production of reforestation materials is to annually cultivate and/or stock forestry plants and forest seeds in the amount based on the needs of the reforestation materials of state forest. As the supply of forest seeds is small in terms of volume and the technology suitable for stocking and storing enables to supply the need of the forest seeds for entire Estonia, the task of forming and preserving the reserve of forest seeds for the entire country has also been set for RMK.

No	Objective	2007	2008	2009	2010	2011	2012
4.3.1	Production of forestry plants ¹⁰ (million pieces)	11	11	11	11	11	11
4.3.2	Keeping the supply of forest seeds (kg)	5,650	6,000	6,500	6,500	6,500	6,500
4.3.3	Profit from forestry plant cultivation	0%	-15%	10%	10%	10%	10%
4.3.4	Loss from forest seed management (million kroons)	0.5	0.8	1	1	1	1

¹⁰ With the producing capacity of AS Eesti Metsataim.

4.4. Operating area of hunting

In order to cover the needs of the state in preserving game population and conducting biological research on game approximately 150 000 ha of the currently existing 380 000 ha will be left for the state as hunting grounds. The objective of RMK is to ensure the preservation of game population on these areas, the use of areas for conducting biological research on game and studies and promoting traditional hunting aimed at local hunters.

In order to deliver the abovementioned objectives RMK will form a functioning structure with minimal costs. This activity will break even (i.e. activity will not bear loss). Additional expenses can be foreseen for the operating area in case the performance of public functions (e.g. training hunters, testing new monitoring methods, etc.) shall be assigned to it as an additional task.

No	Objective	2007	2008	2009	2010	2011	2012
4.4.1	Following the hunting management plan	100%	100%	100%	100%	100%	100%
4.4.2 ¹¹	Number of researches on game	3	3	According to orders	According to orders	According to orders	According to orders
4.4.3	Number of training days	-	-	According to orders	According to orders	According to orders	According to orders
4.4.4	Number of hunting visits of local hunters	3,800	3,400	3,000	3,000	3,000	3,000
4.4.5	Loss from hunting activity	2.8	6.5	0	0	0	0

¹¹ More substantial studies carried out in cooperation with Centre of Forest Protection and Silviculture have been named: the analysis of elk population at hunting areas belonging to the state, damages by hoofed game in young growth of conifers and monitoring game parasites.

5. Total result

In case RMK manages to deliver the abovementioned objectives, there is reason to believe that in addition to meeting the domestic expectation, RMK has also become a serious forest manager in terms of Europe (read: the world). Since, as a rule, the criteria for the assessment of managers of state forest are very state-centred and result directly from the setting of the objectives, the “seriousness” of RMK can also be assessed above all on the basis of the objectives that have been presented in the sections above in the current document. At the same time the co-effect of all of these cannot be underestimated by any comparative organisation, thus the respective assessment would be completely adequate.

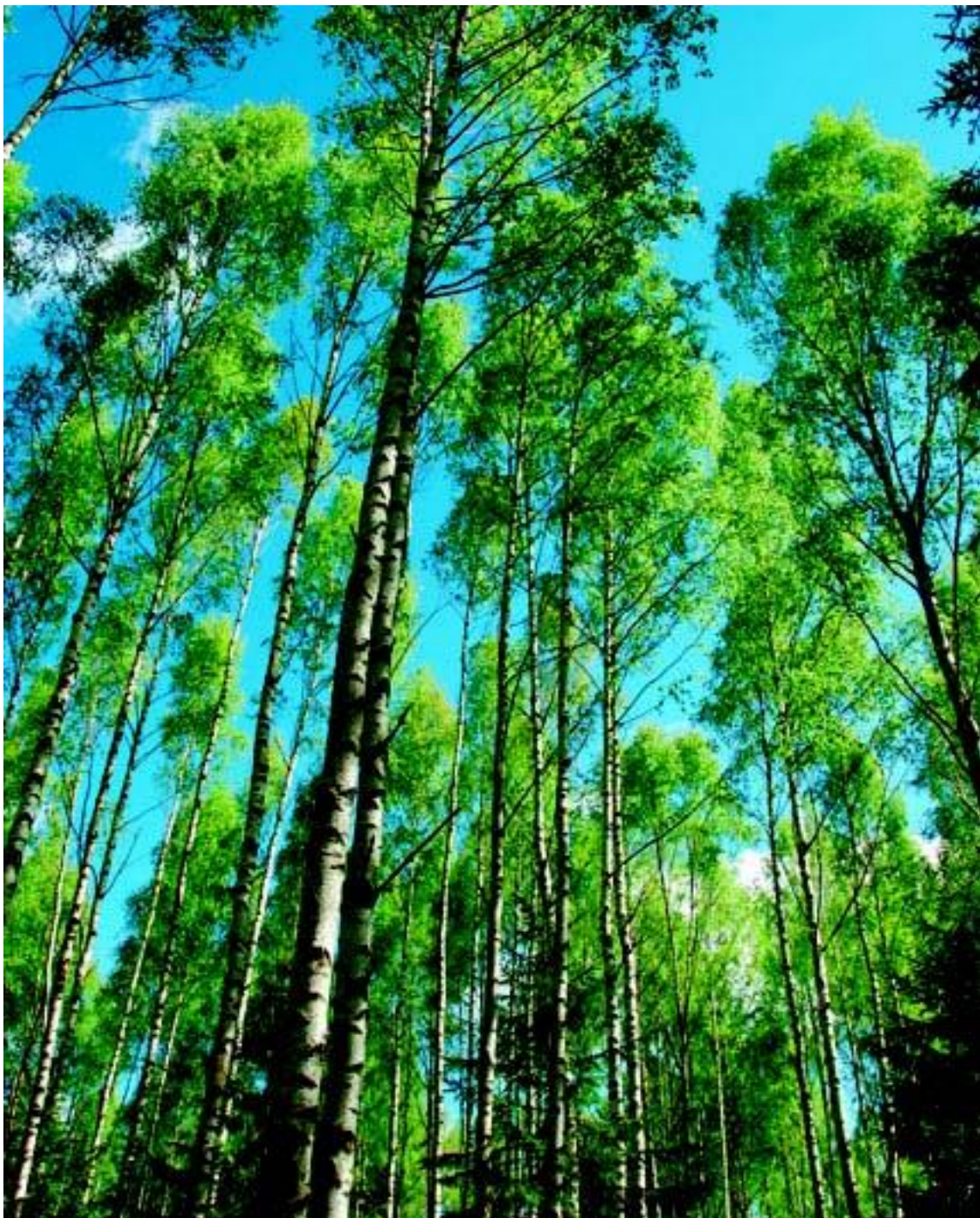


Table 1. Financial forecast of RMK Development Plan for years 2009–2012¹²

	2007	2008	2009	2010	2011	2012
Revenue						
Total revenue from the sale of forest products and services	1,629	1,800	2,000	2,050	2,150	2,250
Expenses						
Silvicultural works						
<i>Reforestation</i>	48	65	69	73	77	82
<i>Maintaining young growths</i>	24	45	48	51	54	57
<i>Thinning</i>	93	135	143	152	161	170
<i>Regeneration cutting</i>	197	275	283	292	300	310
<i>Sanitary cutting</i>	25	25	27	28	30	32
<i>Forestry improvement</i>	37	40	42	45	48	50
<i>Other silviculture</i>	18	15	16	17	18	19
Total costs of silvicultural works	442	600	628	657	688	720
Transport of forest materials	82	125	280	297	315	333
Total costs of silviculture and transport of forest materials	524	725	908	954	1,002	1,053
Nature preservation	18	36	41	45	49	55
Other uses of forest	10	17	0	0	0	0
Wages	195	245	225	239	253	268
General administrative expenses	122	125	133	140	149	158
Science foundation and grants	0	0	1	1	1	1
Depreciation	99	100	100	100	100	100
Total expenses	968	1,248	1,407	1,479	1,554	1,635
Land tax	62	75	75	75	75	75
Revenue from forests ¹³	228	275	275	275	275	275
Profit	371	202	243	221	246	265
Profitability	23%	11%	12%	11%	11%	12%
Investments forest improvement	67	100	150	175	200	225
Investments work equipment	79	70	50	50	50	50
Total investments	146	170	200	225	250	275

¹² At the forecast of expenses an inflation rate of 6% has been taken into consideration; increase in the estimated revenue is conditioned by the utilization of forest lands continually in the ownership of the state and the sale of cutting areas/ tree stumps / brush.

¹³ Regarding land tax the growth in budgetary commitment resulting from the increase in territory has not been taken into consideration, as this is connected to the exact date of registering the areas in the cadastre.

In order to support education in forestry RMK has established grants named after Heino Teder and Toomas Ehrpais.



Heino Teder (21.07.1926–21.10.2007) is recorded in the history of Estonian forestry above all as a Minister of Forest Management and Nature Protection of many years. He led this field for more than a quarter of a century.

After graduating from the department of forest management in Tartu State University he started to work as the senior forester in the forest holding of Hiiumaa, after that he worked in the forest holding of Rakvere and Järvamaa. In 1955 Heino Teder became the head of the forest holding of Kilingi-Nõmme. Under his management this enterprise made it among the model forest holdings with a few years.

Since 1962 Heino Teder headed the Central Administrative Board of Forest Management and Nature Protection of Estonian Soviet Socialist Republic. When the Ministry of Forest Management and Nature Protection was established in 1966, he became the head thereof as the minister until 1988.

The life's work of Heino Teder was organising efficient management of Estonian forests, increasing forest stock and establishing nature protection and nature preservation on steady bases.



Toomas Ehrpais (15.07.1947–31.07.2002) was born in the family of forest servants of Alemaa of Nurme village, Nissi rural municipality, Harju County. After graduating from Nissi Secondary School in 1963 he chose his educational path after the traditions of his family. The Ehrpaises had been foresters already for five generations.

In 1967 Toomas graduated from Jõgeva Forest Management Polytechnic with the diploma of a forest engineer. Great respect and love for his home place took him back to home forest district in Vardi, where he started working as a forest-keeper and since 1978 until death worked as a forester. Next to working he graduated from Forestry Department of Estonian Agricultural Academy in 1981 and when the Master's Studies was opened in the Estonian Agricultural University, he continued his research work also there.

Besides managing the forest district of Vardi he also managed to establish and instruct Nissi forest district school, arrange Varbola stronghold and to turn the competitions of wood sculptures held there into tradition, to establish several nature preserves in the areas near home, to be the leader of sports of the forest nation of Estonia, to participate in the activity of several forestry-related associations and also to be engaged in much more.