

The State Forest
Management Centre

STRATEGY for 2024–2028



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PREFACE

Dear readers,

We are pleased to present you with the 2024-2028 strategy for the State Forest Management Centre (RMK).

RMK stewards a significant portion of Estonia's land and forests, recognising them as crucial natural assets. These forests encompass a sprawling ecosystem, providing sanctuary for thousands of species. We know that the effects of climate change are not just hypothetical, and efforts invested in environmental conservation may take several decades to bear fruit. The pivotal elements converge in RMK's new mission – to serve as the dedicated guardian and nurturer of Estonia's forests and the rich biodiversity they harbour, safeguarding this legacy for present generations and those to come.

The new five-year strategy for RMK in this document was crafted through a collaborative effort between the Management Board and the Supervisory Board of RMK. The strategy's principal aim is for RMK, as an organisation, to achieve the objectives set by the Ministry of Climate, while also addressing Estonian society's evolving expectations. To uncover innovative approaches to these expectations and challenges, we harnessed the finest expertise within RMK and from our external partners in formulating it.

Formulating the strategy has also established a good framework for its successful execution: the cornerstones of success include a science-driven approach, the comprehensive engagement of the entire RMK team, a culture of collaborative innovation both internally and with external partners, and the enlistment of impartial experts when necessary.

As we progress through the next five years and beyond, it is imperative for RMK as an institution to adapt to the changing times, be receptive to various ideas and discussions, and be ready to experiment and think creatively. While we may make some mistakes along the way, it is crucial that we continuously learn and grow from them.

I wish the entire RMK team the very best in implementing this strategy. Our main objective is to provide every Estonian with an opportunity to lead a livelier life enriched by our natural world, now and in the future!



Mikk Marran
Chairman of the Management Board of RMK



Author: Jarek Jõepera

INTRODUCTION

RMK is a profit-making state agency that performs its functions per the legislation and the expectations set by the Ministry of Climate¹. RMK manages the state forest, maintains its protected values, organises nature conservation activities, creates opportunities for using the state forest as diversely as possible, and performs other functions assigned to it. Ever since its establishment, the agency's main activity has been and continues to be to generate revenue from forest management. The revenue earned goes towards making dividend payments to the State Treasury and financing the nature conservation activities of RMK and the various public uses of state forests. RMK contributes to the Estonian economy by providing the timber industry with stable and high-quality raw materials, thereby creating added value for every cubic metre of the raw material². However, the value RMK creates is not only in the form of dividends paid or contributions to the economy, but also in the form of the ecosystem services and public services it provides.

An essential criterion of any development strategy is its feasibility. Each activity that has made its way to the strategy is feasible, and the level stipulated for each indicator is attainable during the strategy period. The strategy is a vision document, and several details of the activities specified in the strategy will be defined more clearly in the upcoming years. The objectives and activities described in the strategy enable RMK to perform its functions and fulfil the Ministry of Climate's expectations, including those related to dividends.

The changing environment and transforming expectations surrounding us mean that organisations must constantly adapt, just like species in nature. RMK has decided that the main focus of the new development strategy will be mitigating the effects of climate change with the help of carbon sequestration and the maintenance of biodiversity. We will take the living environment even more into account in our activities by greater inclusivity and broad-based planning.

¹ <https://adr.envir.ee/et/document.html?id=c92430cb-0525-4a13-96e6-1547f3c3e1df> (in Estonian)

² https://empl.ee/wp-content/uploads/2023/03/EMPL_2022_Metsa-ja-puidusektori-sotsiaalmajandusliku-moju-analuus.pdf (in Estonian)

MISSION

Across generations, RMK is the guardian and nurturer of the Estonian forest and biodiversity entrusted to us.

This means that RMK's activities create a favourable living environment for Estonians and maintain the biodiversity of our nature. To paraphrase Uku Masing, the Estonian scholar: RMK ensures that every Estonian can live a livelier life.

VISION

To create daily added value for Estonian nature and the Estonian people.

This vision will be realised only when each employee of RMK ensures that their work and decisions are aligned with the mission and vision of RMK.

OUR VALUES

A long view. Lead by example. Collaboration.

1. A long view means that in our activities, we keep in mind the decades and centuries to come. We know that everything we do impacts ecosystems in Estonia and abroad. We employ the long-term experience of Estonian foresters and a science-based approach to ensure that the decisions made by RMK are sustainable and are as climate-neutral as possible.

2. Leading by example means that RMK and its employees know they are considered role models in sustainable forest management and in maintaining the biodiversity of ecosystems. Our clients and partners can count on us and trust our data. To continue to serve as a good role model, we value development and innovation, and we share our data and knowledge with all stakeholders and carry out our activities as promised.

3. Collaboration means that RMK will achieve its results through collaboration: all the people in RMK support each other in striving for its strategic objectives while taking individual responsibility. We are open to new collaboration offers and ideas that support the mission and vision of RMK.

The RMK strategy consists of two major parts: development perspectives and development areas.

The **development perspectives** describe the activities related to performing the agency's main functions and achieving the Ministry of Climate's expectations; the impact of such activities is significantly noticeable outside RMK.

The **development areas** describe the activities related to the internal work of RMK and the agency's development. The overarching guiding principle of internal development is a 'joint RMK' – a modern organisation that operates and develops as a joint and cooperational/cohesive agency.

DEVELOPMENT PERSPECTIVES

The strategy includes three development perspectives:

- The conservation of nature's biodiversity
- Revenue generated through sustainable and climate-neutral activities
- Increased awareness of the use of nature

THE CONSERVATION OF NATURE'S BIODIVERSITY

During the period of the strategy, RMK will contribute to maintaining and increasing biodiversity on the state-owned territories held by RMK. For this purpose, we will continuously monitor what is happening in nature and take the necessary steps to improve the situation. During the strategy period, one objective of RMK is to involve external experts in preparing plans and assessing the environmental impact of any planned activities.

We wish to serve as a role model for sustainable forestry and provide other foresters with RMK's best practices. With its activities, RMK wishes to maintain the biodiversity of ecosystems and set an example in nature protection to other countries surrounding the Baltic Sea.

To preserve nature's biodiversity, RMK is committed to executing diverse initiatives across multiple areas and routinely evaluating their effectiveness.

PRESERVING AND IMPROVING BIODIVERSITY

1. A system for assessing the ecological status of landscapes will be developed and put into practice.
2. A logging dispersion index will be developed, and logging dispersion will be increased compared to 2024. This means putting more effort into avoiding the concentration of logging sites.
3. Areas with a high usage load without visitor infrastructure will be mapped, and the management principles will be drawn up. This means paying greater attention to directing visits outside the current hiking trails or other facilities.
4. We will give preference to the generation of mixed species stands in suitable habitats where the proportion of the dominant tree species does not exceed 80%, a second tree layer is formed, and a shrub layer is retained. This means putting more effort into creating additional opportunities for the development of biodiversity when designing forest stands.
5. We will draw up and apply principles for using forest management methods other than clear-cutting in managed forests and for designating smaller clear-cut areas.
6. We will discontinue regeneration cutting in limited management zones of protected areas.



Indicators

- The ecological status of landscapes will be improved compared to the results of the assessment conducted before the development of the methodology.
- The cutting areas where shelterwood cutting and selection cutting are used, plus, clear-cut areas of less than 1 hectare will constitute at least 20% of the total annual area of regeneration cutting.



MAKING WELL-INFORMED DECISIONS CONCERNING NATURE

1. The annual allowable cut of RMK for 2026-2031 will be independently assessed for its ecological and environmental impacts. This means evaluating the comprehensive effect of cutting in the entire state forest with the help of external experts.
2. A new system of analysing the feasibility and environmental impact of constructing forest roads and reconstructing drainage systems will be implemented.
3. The drainage systems management strategy will be reviewed and updated with the participation of stakeholders.
4. The spring-summer cuttings strategy will be reviewed and, if necessary, updated with the participation of stakeholders.
5. In forest inventory, an additional inventory methodology will be implemented to assess nature's values. This means putting more effort into collecting data necessary to assess nature's values in protected forests.



Indicator

- The annual allowable cut of RMK for 2026-2031 will be independently assessed for its ecological and environmental impacts.
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WE PROMOTE MAINTENANCE AND RESTORATION OF NATURE'S VALUES

1. We will supplement drainage sites with environmental facilities on 60,000 hectares.
2. To protect the aquatic biota, we will draw up a breeding plan for at least 10 marine species, or the species will have been introduced into the wild. This means that we must have the competence to regenerate and introduce protected and endangered fish and aquatic invertebrates so we can put biota into use as necessary.
3. An action plan, 'Area greenification', will be drawn up by 2025 to restore cut-over peatlands into functioning ecosystems.



Indicators

- An additional 20,000 hectares of habitats (including former peat fields) will be restored, and the status of 500 kilometres of riverine habitats will be improved.
 - Land use plans will be drawn up for 7,000 hectares of former peat fields, and habitats will be restored on at least 3,500 hectares; these actions will serve as the prerequisites for the regeneration of ecosystems in these areas.
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REVENUE GENERATED THROUGH CLIMATE- NEUTRAL ACTIVITIES

With each activity carried out in the forest and each log brought out, RMK aims to contribute to mitigating the effects of climate change and help achieve the Estonian climate objectives. This means that we will continue forest management, aiming to have the forests store and sequester carbon as much as possible, taking into account the soil carbon storage. We will also ensure that the timber extracted from the forest is predominantly used to create products that will store sequestered carbon for decades to come.

During the period of the strategy, RMK will carry out regeneration cutting yearly, based on the logging area approved by the Minister of Climate for a five-year period. During the strategy period, we will manage the forests to earn income for the state, sell quality timber to companies at market value and perform the functions assigned to RMK. RMK continues to provide timber all year round to support the innovation of the Estonian forest and timber industry and the ensuing broader development of the industry in that field.

In addition to forestry, we will also pay attention to the revenue generated from ecosystem services, the increased added value of the public services provided by RMK, and the development of novel business segments during the strategy period. Up until now, the services provided to the public have mainly been treated as an expense, and the revenue gained from them has been overlooked. We plan to catalogue and assess the added values of ecosystem services (the benefits that every ecosystem provides to the people, the society and the economy) to maintain and develop them more consciously.

To achieve our goal of the development perspective, 'Revenue generated through sustainable and climate-neutral activities', RMK intends to carry out activities in various areas and regularly assess their effectiveness.

MAXIMISING CARBON SEQUESTRATION AND STORAGE

1. A project to ensure high-quality timber will be launched to guarantee the optimal carbon storage of forests. This means paying extra attention to determining which natural forest composition allows for the maximum sequestration of atmospheric carbon in forests and storing carbon in timber products.
2. The carbon footprint of the production chain of timber sold (the so-called 'C-track') will have been developed and implemented by 2026. Therefore, all carbon emissions generated in the production chain are attributable to each load of timber delivered from a state forest to the customer.
3. The joint forest tree breeding programme of RMK and the Estonian University of Life Sciences for determining trees with good heritable growth traits and collecting seeds from them will continue. By 2028, all progeny trial sites will be established.
4. The definition and model of continuous cover forestry will be specified and applicable.
5. The action plan for establishing plantations (areas for intensive forest-growing outside of forest land) will be prepared by the end of 2024.
6. RMK's carbon reduction plan will be prepared to achieve carbon neutrality by 2050. This means paying attention to reducing emissions from using of fossil fuels and other RMK activities.
7. The indicator system of the condition of RMK forests will be updated. This means that in assessing the state of forests, additional emphasis is put on the forests' ability to store and sequester carbon as well as their ecological situation.



Indicators

- The forests and territories managed by RMK will store 262 million tonnes of carbon.
 - The forests and territories managed by RMK will annually sequester 2.9 million tonnes of CO₂ (net).
 - To achieve carbon neutrality by 2050, the emissions from using fossil fuels in RMK will have decreased during the strategy period by 19% compared to 2023.
 - In reforestation, the proportion of forest stands dominated by conifers will exceed 66%, which allows Estonia to sequester the largest amount of carbon possible and retain it, bound in timber products, for an extended period.
-

CONSCIENTIOUSLY PRICING ECOSYSTEM SERVICES AND PUBLIC SERVICES

1. The methodology for pricing ecosystem services provided by RMK will be developed by the end of 2026. This means that we will have created the possibility to assess the value of ecosystem services and maintain and develop them conscientiously.
2. The assessment of the baseline ecosystem services provided by RMK will be completed during 2027.
3. The methodology for assessing the added value of public services provided by RMK will be developed by the end of 2025.
4. The assessment of the baseline public services provided by RMK will be completed during 2026.



Indicators

- The revenues of ecosystem services will have increased compared to the baseline figure created in 2027, one year after the completion of the development plan. This means that in addition to the usual economic performance, we will also assess the value generated by the ecosystem services.
- The added value of public services will have increased by the end of the strategy period compared to the level of 2026. This means that in addition to the usual economic performance, we will also assess the value generated by RMK's public services.

SUSTAINABLE BUSINESS DEVELOPMENT

1. RMK manages state forests in order to ensure sustainable income for the state.
2. The methodology for assessing the added value generated by timber sold based on long-term contracts will be developed and implemented by the end of 2024.
3. The analysis of implementing the assessment methodology of long-term contracts will be drawn up in 2024; if necessary, an action plan will be prepared to develop and implement amendments.
4. The analysis and action plan regarding opportunities for collaboration between RMK and the private forestry sector will be prepared by 2025.
5. A system of assessing the sustainability of RMK's activities will be created and implemented in 2025.
6. By 2028, RMK will develop at least one additional profitable business line that supports Estonian climate objectives.



Indicators

- Revenue from ownership will have been paid according to the amount specified in the state budget strategy.
 - The results of the sustainability assessment system will have improved in comparison to the level of 2025.
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A MORE PRINCIPLED USE OF NATURE

RMK recognises its crucial role in increasing public awareness, ensuring that people understand how to navigate nature, act responsibly within natural environments, and gain a more profound knowledge of the natural world. Furthermore, RMK is committed to providing the public with more information about its activities in various forests. The recent surge in visits to state forests illustrates that, in challenging times, individuals seek solace and stress relief in natural settings. Throughout the duration of the strategy, RMK is dedicated to making nature accessible to all Estonians, thereby ensuring that nature and forests continue to play an integral role in our culture and daily life.

As illustrated in the developmental strategy, RMK plans to implement initiatives in multiple areas and regularly assess their effectiveness to realise its objective of a 'more conscientious use of nature'.

INCREASING AWARENESS OF THE FOREST

1. Create an information network based on RMK offices, visitor centres and the Sagadi Forest Centre.
2. Develop a messaging strategy: clear messages will be prepared and communicated regarding the activities of RMK in various forests.
3. Add elements to increase awareness of our daily work: each activity of RMK will contribute to increasing awareness.
4. Involve messaging and collaboration partners: RMK's messages explaining its activities will be disseminated in collaboration with other parties.
5. Develop a survey and subsequent monitoring: determine the base level of awareness, gather regular feedback and monitor the situation.



Indicator

- Forest awareness level will have increased compared to the base level.
-

GROWING OPPORTUNITIES TO USE NATURE'S BENEFITS

1. Increase visiting opportunities: construct more visiting facilities to manage the increased visitor flows and maintain a favourable state of nature.
2. Development of visitor infrastructure and increase of the connectedness between sites and objects: improve accessibility to information disseminated about the ecosystem services and the life cycle of forests. This means developing the current sites as well as creating opportunities to provide information about forest management activities.
3. Develop and modernise facilities in national parks as nature tourism attractions.
4. Identify and implement innovative solutions and materials for designing, constructing and maintaining visiting facilities.



Indicators

- Visitor satisfaction will be at least 4.45 (on a scale of 0-5).
 - At least 2.9 million visits annually.
 - The soil and ground vegetation index value at visiting sites will be 2.1 or below on a six-point scale of 2-6 (1 being the maximum index).
 - National parks' visiting centres will be modernised by 2029.
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EXPANDING OPPORTUNITIES FOR SHARING NATURE EDUCATION AND INFORMATION

1. Update learning methods and their application based on the learner (customer profile); continue activities to promote forest and nature awareness; a greater emphasis on forest-related topics.
2. Maintain the level of nature-related information and education provided in cooperation with other agencies operating in similar areas of government as the Ministry of Climate (such as programs, exhibitions, theme days, information points, signs and posters in nature) to support a rise in awareness.
3. Develop and implement a system to assess the efficiency of nature education being provided and give feedback; determine the base satisfaction index.



Indicators

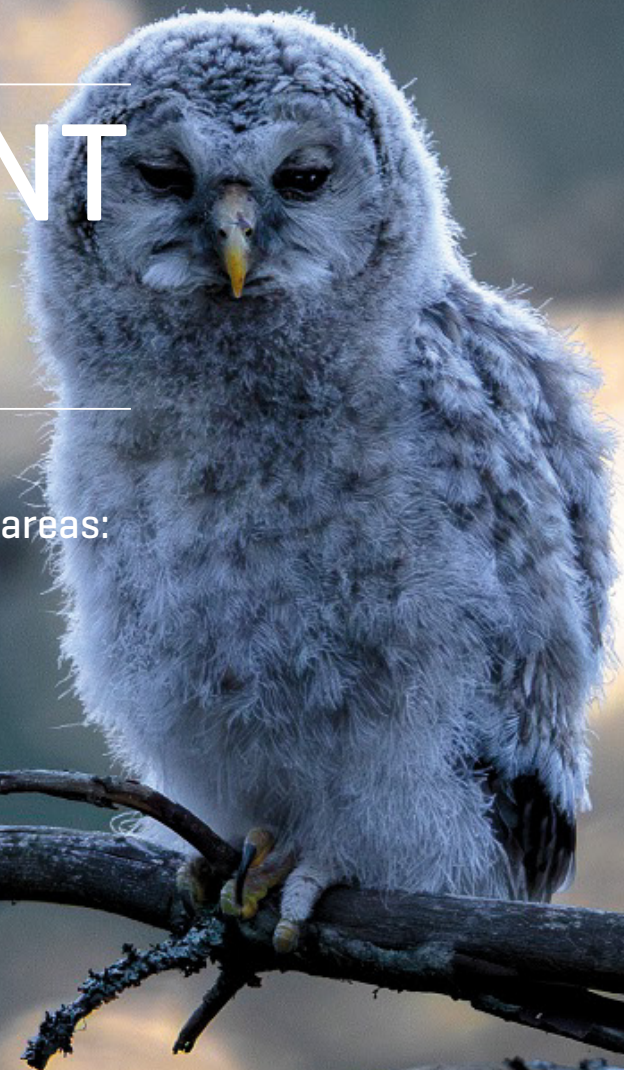
- At least 10% of the nature visitors participate in educational and informative activities.
- Each year, at least 48,000 participants are in nature education programs.
- The customer satisfaction index regarding nature education services is at least equal to the base level.



DEVELOPMENT AREAS

The strategy includes three development areas:

- Inclusive and broad-based planning
- Contribution to innovation and science
- A focus on personal development





INCLUSIVE AND BROAD-BASED PLANNING

RMK wants the Estonian people to feel more connected to our operations. People must have a transparent understanding of their involvement in the planning process and the outcomes they yield. One objective for RMK is to establish a planning framework that not only helps maintain biodiversity and cultural objects but also integrates forest management activities into nature (including green infrastructure) while maintaining financial efficiency. To achieve this end, RMK will refine its internal organisational structure, harnessing the full expertise of the institution in planning activities to enhance inclusivity and focus on our clients.

The planning process is the cornerstone of RMK's main activities. It necessitates supporting technologies to simplify the organisation of activities, the inclusion of external stakeholders, and the access to data that serves as the basis of planning. For this purpose, RMK will continue to develop and implement the necessary technological solutions.

We aim to foster more inclusive and broad-based planning and improved data accessibility to bolster trust towards RMK's operations, personnel and information. Therefore, RMK adheres to the principle that logging activities strictly follow the forest management plan, particularly in areas of heightened public interest.

To fulfil these ambitions, RMK intends to conduct activities in various domains and consistently evaluate their effectiveness.

PLANNING WITHOUT ARTIFICIAL BOUNDARIES

1. In 2024, we will develop and implement an organisational structure to foster inclusivity and broad-based planning.
2. In order to improve our cutting planning process, we aim to develop and implement, by 2026, a system that facilitates planning over more expansive areas, for instance, 5 by 5 kilometres). This approach will enable us to base our plans on larger areas, significantly improving our ability to assess the suitability and impact of these plans with greater precision.

INCLUSIVE PLANNING

1. The best practices for inclusion will be developed in 2024.
2. The development of the RMK customer service standard.
3. RMK's land use strategy and land use plan will be updated in 2025.
4. The creation of guidelines for landscape planning and visual planning is scheduled for 2024.
5. By 2025, RMK will develop and implement quality assessment guidelines for all logging planning, applicable to all types of logging.

DIGITAL SUPPORT

1. There will be updated and fully operational solutions for:
 - Public access to RMK's data;
 - The visualisation of planning outcomes;
 - The inclusion of external stakeholders and gathering feedback;
 - The functioning of RMK's internal planning system.



Indicators

The indicators to measure progress in this development area will be established in 2024.

CONTRIBUTION TO INNOVATION AND SCIENCE

RMK firmly believes in grounding the development of all its operating areas in scientific research. To this end, RMK will update its internal work organisation to enhance the functioning of its research council. This will enable a greater internal focus on innovation relevant to its operating areas and facilitate the exchange of knowledge acquired during activities between RMK and external stakeholders. The applicability of the results continues to be of great importance; this means that RMK focuses on research projects that yield tangible, applicable results and whose impact can be measured.

To achieve these objectives, RMK intends to conduct activities in diverse areas and regularly assess their impact and effectiveness.

ACTIVE CONTRIBUTION TO SCIENTIFIC PROGRESS

1. The operational procedures of the RMK research council will be updated in 2024.
2. A renewed approach for commissioning research projects will be completed in 2024.

INVESTING IN RESEARCH AND APPLIED RESEARCH PROJECTS

1. RMK will maintain its commitment to investing up to €600,000 annually in R&D activities in its main operational spheres.
2. The structure for the RMK innovation incubator will be crafted in 2024, with a minimum of one incubation project slated to be undertaken during the strategy period.

USE AND DISSEMINATION OF KNOWLEDGE

1. In 2025, a detailed activity plan will be formulated to disseminate findings from RMK-commissioned research projects and conduct practical training courses for the entire forestry sector.



Indicators

The metrics for evaluating progress in this development area will be established in 2024.





A FOCUS ON PERSONAL DEVELOPMENT

RMK is committed to operating as a cohesive and collectively evolving team. To achieve that vision, RMK will refine its leadership principles to promote active participation from every team member and ensure decision-making is aligned with the agency's core values. All RMK employees must have the necessary knowledge and skills for this endeavour. A significant focus will be placed on sustainability within our organisation. This includes expanding the pool of field experts and providing ample opportunities for internal growth and career advancement, both horizontally and vertically. Recognising and rewarding our employees with competitive remuneration is crucial to this strategy. At RMK, we deeply value and actively support the professional development of all our employees. We are dedicated to making ongoing, significant contributions to forestry education, guaranteeing that the knowledge and expertise of both our current and future employees remain current and comprehensive.

Ultimately, a career with RMK should offer individuals positive challenges, professional satisfaction and a sense of joy. To achieve these aims, RMK intends to execute initiatives in multiple areas and consistently evaluate their impact and effectiveness.

ADVANCING INNOVATIVE LEADERSHIP PRINCIPLES

1. All decisions made by the Management Board will be thoroughly explained, detailing the rationale, purpose, and how each decision aligns with the specific objectives of the strategy.
2. The implementation of RMK's leadership principles is scheduled for 2024.



Indicator

- Improvement in overall management results and individual leadership performance, as reflected in the employee satisfaction survey.
-

ENHANCEMENT THROUGH DEVELOPMENT AND RECRUITMENT

1. A comprehensive RMK-wide development and recruitment programme designed to bolster the strategy will commence in 2024.



Indicator

- An increase in the proportion of employees engaging in collaboration interviews.
-

PROMOTING OPENNESS AND COLLABORATION

1. In 2024, internal customer satisfaction surveys will be conducted to measure satisfaction levels across various operating areas and departments.



Indicator

- Enhanced cooperation ratings in the employee satisfaction survey results.
-

EXECUTION OF THE STRATEGY

RMK will implement the strategy through meticulously crafted action plans. These plans, spanning one year each, with the appropriate resources identified, allocated, and approved within the RMK budget framework. The development strategy, along with its objectives, will be subject to an annual review. Should there be significant shifts in the agency's operating environment, or the expectations placed upon RMK's activities, an extraordinary review will be promptly undertaken.

To ensure the agency's functioning and the achievement of the strategy's objectives, a thorough evaluation and potential revision of the agency's work organisation will be undertaken throughout the duration of the strategy.