Role of private forest owners in Latvia –
support or hindrance to development

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ABSTRACT

In Latvia, the woodlands cover 44.7% of the country’s area and 42% of it belongs to more than 148,900 private forest owners (PFOs). Forest sector is one of the leading sectors in national economy in Latvia. The role of the private forest sector as timber and recreational resource provider is increasing year by year.

To ensure proper forest management several opinion polls of forest owners were performed. The primary targets of the research were to study motivation of being forest owners, their wishes and plans on forest use and management. Those polls provide information on forest owners’ social portrait, issues of the interest for the PFOs, the sources of information and the ways of improving knowledge for PFOs, their knowledge on forestry and forestry related questions.

During Soviet times traditions of management of property were lost. After restoration of independence in 1990 new generation of private forest owners have started to manage forests without knowledge and understanding of forestry and market economy. Data from the surveys were very important bases for current private forest extension system improvement in Latvia.

The surveys of PFOs indicated the difference between active and non-active PFOs and their management tendencies are mainly determined by the size of forest holding, sex, age and residence place of PFOs. It is not only shortage of knowledge, but also misunderstanding what a good forest management is and how it affects supply of timber and also its future quality.

Key words: private forest owners, survey, motivation, forest management, forestry behavior, extension, use of forest property.

INTRODUCTION

According to the goals defined by the national Forest Policy (FP), development of the private forest sector (PFS) is an essential condition for overall development of the national economy, as well as the preservation and maintenance of natural resources. Almost half of the forest resources belongs to PFOs and their role as wood suppliers increases day by day. Nowadays other sectors of national economy not only forestry and forest related industry have rapid development, too. Several strategies, policies of development and different plans were worked out for rural development and landscape planning, afforestation of abandoned agricultural lands (AAL), development of small scale business, tourism and nature protection. All these activities as well as state policy to increase the share of bioenergy in total energy consumption have direct or indirect links to PFOs and their forest resources. Today besides fiber market PFOs can take important role in other sectors of national economy.

Private forest ownership as a phenomenon reappeared in Latvia in early 1990s, after a 50-year interruption. Today nearly a half of total forest area belongs to new generation of forest owners. By Hogl, Pregernin and Weiss (2005) new type of forest ownership means forestry which is no longer part of an agricultural enterprise and new forest owners hold different values and attitudes towards their forests than farm forest owners. Different

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conceptions of "new" owners exist in Latvia and also in other Baltic states. "New" forest owners are owners who after 50 years inherited forest property or got it by privatization process. Generation of "new" owners have no knowledge, experiences and traditions in forestry. In lot of cases they become owners without premeditation and ideas of forest use.

Nowadays, development trends in the PFS indicate that private forests have not been managed in compliance with the objectives of FP; in particular, the principles of sustainable management are not always maintained in private forestry. By information of State Forest Service (SFS), harvesting activities in private sector are high, but the regeneration activities – only in 20% from amount should be regenerated. In last three years considerable improvements in management of the PFS were caused by extension activities of SFS.

It is necessary to mention, that in 1935s forest coverage in Latvia was only 23%. Today it is close to 47% and big increase was caused by uncontrolled afforestation of agricultural lands. In a fact, that there are no substantial changes in area of state forests, forest area in private sector nearly doubled. In lot of cases it is great need for noticeable investments to get good quality raw materials in future, because these areas were out of any management for long period.

In the early years of Latvian independence, knowledge on the PFS and needs and problems of PFOs were based on information provided by SFS. Because the owners who visited forestry offices were more active and their knowledge of forestry was above average, a mistaken impression was gained about PFOs. It was necessary to find a mix of convenient and effective policy tools to create a positive environment for achieving the defined targets and objectives of forest policy. Information on PFO needs, wishes and problems and attitudes to various policy implementation instruments as well as information about social portrait of PFOs was obtained from results of opinion polls of PFOs and information of property database. Results of these surveys formed base for this paper.

**RESEARCH METHOD**

Research on the PFS was concentrated on two main areas: analyses of data base of forest properties and analyses of opinion polls' results of PFOs.

Data in the database of State Land Service (SLS) were analyzed in 2004, and formed the basis for one of classification systems for PFOs. Four owner groups were identified:
- group 1 - a single owner has only one property;
- group 2 - group of forest owners who together have solitary property;
- group 3- one owner has several properties;
- group 4 - a group of owners operates a group or ‘chain’ of properties.

Database provides information on property distribution by size classes and owners - average age of PFOs; distribution by sex and residence place of PFOs.

Information about the general situation in the PFS and factors influencing forest management were obtained in the opinion polls of PFOs based conducted through personal interviews. Questionnaire consists of 62 questions and largest part of them was open (without choice of answers). The initial hypothesis was that PFOs characteristics and their forest management goals and motivation are the same for active and average PFOs.

The so-called active PFO are owners interviewed during time of their visit in offices of SFS. Respondents for general sample were selected through multistage random sampling, with forestry regions in Latvia as the primary sampling unit and pagasti (municipalities) as the secondary sampling unit. Both were selected on the basis of: location; percentage of area covered by forest; number of PFOs and size of average forest holding.

The general sample was calculated according to a single criterion, namely forest holding area. Forest holdings under 0,5 ha and over 50 ha were removed from list. The number of respondents (n) in each area stratum was calculated by setting the allowance for sampling error at the 5% significance level equal to 20%, i.e.

\[
n = \left(\frac{t_{0.05}}{d}\right)^2
\]

where
t - the Students t variable, 
α - the significance level set at (0.05),
s - the standard error of size of forest holdings,
d - the required precision level (20%).

The following quantitative indicators of each stratum were used to test the selection: average size of forest holding, standard error of size of forest holding; and place of residence of PFOs. The indicators for classification of PFOs and their holdings were developed by the method of data classification based on: size of the forest holding; age of PFOs; sex of PFOs; place of residence of PFOs; method of obtaining the property and use of the property. Because the paper presents only brief information and findings from opinion polls, no details about data analyses were presented here.

Three separate surveys were conducted at about four year intervals. The number of respondents and time of surveys is shown in Table 1.

Research ordered in 2003 by Latvian forest sector (LFS) of Agriculture Ministry of Latvia include several target groups – forest owners, top level employees of different forest related organizations, members of NGOs and students. Number of PFO in this survey exceeds 800, and 700 of all owners were not related to another groups. Data from this group are used in the paper and further they will be indicated as LFS survey.

**CHARACTERISTICS OF PRIVATE FOREST SECTOR**

To estimate role of PFS in development of forest sector as well as national economy and rural development it is important to know who forest owners are and what they have. Knowledge about owners and their social situation is prerequisite in interpretation of results of opinion polls and evaluation of all studies.

According to the SLS database, on June 2004 there were 163 029 forest holdings in Latvia, belonging to 148 925 PFOs, with a total forest area 224 068 ha. The percentage distribution of forest holdings by size classes is presented in Table 2. Distribution of forest holdings by size classes shows that 76.8% of holdings do not exceed 10 hectares. By forest area it is close to 1/3 of total area of private forests. The average size of forest holding is 7.2 ha.

Classification of PFO by information from SLS database shows that:
- 70% of PFOs have only one forest property. Group 1 owns 62% from the total private forest area. Average size of forest holding in this group is 6.7 ha;
- The size of group 2 where the property belongs to a group of owners rather than an individual owner does not exceed 4% - neither by number nor territory;
- 19% PFOs has several forest holdings. More than 23% from total private forest area belongs to Group 3. Average forest holding size per owner in this group exceeds 22 ha;
- The Group 4 or 7% from total number of PFOs, manages approximately 10% from private forest area. Structure in this group is very complicated and forked.

The SLS database also provides data about gender and age of PFOs. On average, 56% from total forest owner number are male and 44% are female. Male PFOs heavily dominate in Group 3, while female PFOs dominate only in group 2 (Table 3). The average age of PFOs among groups is quite similar, but differs between male and female forest owners. Except for Group 4, the average age of female owners is greater than that of male owners. Male owners control the greater share of forest area (62%), and have larger forest holdings than females, particularly in Group 3.

More than 70% of PFOs live close to their forest holdings (77% in Group 1). About 60% of PFOs live within 5 km of their forest holding.

The information obtained during surveys revealed that overall PFOs education level is higher

### TABLE 1: Surveys of private forest owners in Latvia (1997 to 2003).

<table>
<thead>
<tr>
<th>Survey</th>
<th>Year</th>
<th>PFO group</th>
<th>Number of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1997</td>
<td>PFOs</td>
<td>74</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Active PFOs</td>
<td>62</td>
</tr>
<tr>
<td>2</td>
<td>2001</td>
<td>PFOs</td>
<td>1638</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Active PFOs</td>
<td>264</td>
</tr>
<tr>
<td>3</td>
<td>2003</td>
<td>PFOs</td>
<td>420</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Active PFOs</td>
<td>1260</td>
</tr>
</tbody>
</table>
than the average education level in Latvia. About 16% of PFOs had higher education, but in the group of active PFOs this number reached 22% (Table 4). According to the statistics of 2001, 20% of Latvian inhabitants did not have even basic education. Meanwhile, only 8% of PFOs did not have basic education; in the group of active PFOs this number did not reach even 1%.

It is discovered that older PFOs had a lower level of education and smaller average forest property than younger PFOs. For example, in the group without primary education the average forest holding size is less than 7 ha, but the average age of PFOs in this group reaches 65 years. In the group with higher education, the corresponding numbers are 14 ha and 49 years.

TABLE 4: Percentage distribution of PFO among education levels.

<table>
<thead>
<tr>
<th>Level of education</th>
<th>PFOs</th>
<th>Active PFOs</th>
<th>All Latvian population (2001)</th>
</tr>
</thead>
<tbody>
<tr>
<td>No basic education (%)</td>
<td>8</td>
<td>1</td>
<td>20</td>
</tr>
<tr>
<td>Basic education (%)</td>
<td>20</td>
<td>11</td>
<td>23</td>
</tr>
<tr>
<td>Secondary education (%)</td>
<td>56</td>
<td>66</td>
<td>45</td>
</tr>
<tr>
<td>Higher education (%)</td>
<td>16</td>
<td>22</td>
<td>12</td>
</tr>
</tbody>
</table>

Approximately half of owners mentioned that pensions are source of income in their families (Table 5). Percentage of paid employment among PFOs has increased about 10% from year 2001 to 2003, but it is still lower than in active forest owner group. PFOs get also income from agriculture and forestry activities, but there is no exact information when it is as income source and when – as self use.

USE OF PROPERTY

By data of SLS and results of surveys, approximately 60% lived in their forest holdings or in distance less than 1 km from holding. Agriculture and animal breeding as type of use of property was mentioned in 46% cases, but forestry – in 9% of cases. In group of active PFOs these indicators are the following - 42% and 30%.

Questionnaire includes several questions related to forest use in last five years. Questions and percentage of answers in the affirmative are shown in Table 6.

TABLE 5: Sources of income of PFOs by groups (2003).

<table>
<thead>
<tr>
<th>Group of PFOs</th>
<th>PFOs</th>
<th>Active PFOs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paid employment, %</td>
<td>51</td>
<td>57</td>
</tr>
<tr>
<td>Business, %</td>
<td>6</td>
<td>13</td>
</tr>
<tr>
<td>Pension, %</td>
<td>50</td>
<td>35</td>
</tr>
</tbody>
</table>
By LFS’s survey data 82% of respondents did forest managed activities in last 5 years. Almost half of respondents use possibility to collect dry and wind broken trees without cutting license. Respondents pointed several kinds of property use:

- income – 64%;
- preservation of nature and environmental values – 52%;
- recreation – 49%;
- fire wood and raw materials – 16%

Data analysis and calculations show that only 8% from PFOs do not plan any forest management activity in future. 62% planned forest management activities involving harvesting or thinning. As it is shown in Figure 1, there is big difference between planned activities in average and active group of PFOs.

The question about decision making for harvesting was included in survey in 2001. PFO were offered an opportunity to choose one of three strategies. 11.4% agreed that they would harvest forest as soon as possible. 5.7% think that it is better to sell wood cheaper, but faster and 41% chose to wait for increase in price of wood. 6% of PFOs had other ideas about choice of harvesting strategy. Surprising that more than 1/3 of PFOs considered these answers inadequate or offensive, because they “use forest only for own needs, harvest when it is necessary (sanitary cutting and also own needs), have nothing good to harvest”.

**MOTIVATION AND VALUES**

Motivation for being owners and evaluation of different uses of forest have links to forest management activities. It is important to know these indicators to forecast forestry behavior of PFOs and develop ideas how to change attitude or get PFOs involved in activities.

In 2001 less than 4% of PFOs assured that forest is main income source for his/her family (Table 7). Inexplicable in the first moment is fact that 1/3 of PFOs did not see forest as income source neither at present nor in future and by survey data in this time less than 10% of PFO thought about property selling.
TABLE 7: Economic role of forest holding (2001).

<table>
<thead>
<tr>
<th>What does the forest offer to your family?</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>No income</td>
<td>33.7</td>
</tr>
<tr>
<td>Income in future</td>
<td>33.7</td>
</tr>
<tr>
<td>Additional income</td>
<td>28.8</td>
</tr>
<tr>
<td>Main income</td>
<td>3.8</td>
</tr>
</tbody>
</table>

Close to 1/3 of PFOs mentioned that they got income from forest related activities, but only 5% of them invested part of it back in forest. Income from forestry was invested in agriculture, house building and repairing activities and household consumption. Economic role of forestry increases with the level of education of PFOs.

In survey in 2003 PFOs were asked to mention three key motives why they have become owners of forest holding. Only 1/3 of respondents can answer this question; in group of active PFOs situation was opposite. Most of owners (80%) who had problems to state motivation got forest property by inheritance. Sometimes it was possible to get answers - „other people were given the property, I took either“, I didn’t require specially, it appeared to be together with a farm; no idea what to do with land certificates”.

Economic motivation was mentioned by 32% of PFOs in general group and by 56% - in group of active PFOs; mostly by male PFOs. There is big difference in motivation factors between PFOs' groups (Figure 2). More than 1/3 of Active PFOs who mentioned some kind of motivation factors perceived forest as source of income, but in average this indicator is 3 times lower. Collecting of fire-wood is important motivation for both groups of PFOs.

PFOs who mentioned forest as investment are at least with secondary education and half of them do not live in their property. There exist two ways of comprehension of forest as an investment. First, forest is a value and it is possible to use it as a capital. Second, bequest for next generation.

There are some more answers: self-confidence (4%) and recreation (3%). In group of active PFOs these indicators are accordingly 8 and 13% of total amount of answers.

PFOs were asked to evaluate different aspects of forest use in 5 point system (where 1 means not important, through to 5 for highly important or essential). Results from surveys in 2001 and 2003 and results of active PFOs survey in 2003 are presented in Figure 3. In evaluating such aspects as “forest for children to inherit” and “forest as a form of self-confidence”, there were no differences among group of active and average PFOs. The assessment of forest uses, especially economic ones, is affected also by practical activities and possibilities to perform them.

Quite big difference is in evaluation of forest as source of recreation. In active PFOs group value reaches 3,1 points, but in average PFOs group there is tendency to increase, but it is still lower and do not exceed 2,4 points.

MANAGEMENT OF ABANDONED AGRICULTURAL LANDS

More than 40% of PFOs in 2003 declared that they have abandoned agriculture lands (AAL). In groups of active PFOs this indicator is higher – 56% (Figure 4). In 2001 34% of PFOs thought that they had in average 2,6 ha of AAL for aforestation. Until the year 2003 it was not only increase in

FIGURE 2: Percentage distribution of motivation.
percentage of PFOs who have AAL, but also increase in average area of AAL per property – 6,2 ha (9,2 ha in active PFOs group).

About 10% of PFOs mentioned that afforestation of AAL was done in their property. In average afforestated area was 2 ha, but in groups of active PFOs – reached 4,4 ha. Percentage of owners which wanted to afforestate AAL had increased very rapidly in 2 years. Figure 4 shows percentage calculated from total number of PFOs in each group, not only from owners owning AAL.

Asked about reasons for afforestation, PFOs mentioned several factors. More important factors for decision to afforestate areas were effective use of land and bequest. In most cases land was not suitable for agriculture production and wasn't used for agriculture needs and not given for uncontrolled afforestation. There are fewer respondents who mentioned that afforestation is caused by wish to increase area of forest land or increase value of land.

Shortage of finances is the pre-dominating reason why afforestation activities do not take place. Only a few owners mentioned political or other factors. It is interesting that every tenth respondent who declared that she/he had no plans to afforest AAL mentioned reason that process of afforestation was going on naturally.

KNOWLEDGE AND EXPERIENCES IN FORESTRY

To obtain comprehension on PFOs knowledge in forestry they were asked to answer several questions related to forest management. First step was distribution of PFOs in 3 groups – without knowledge, knowledge obtained in practice and special education in forestry. Percentage distribution of PFOs among these groups is presented in Figure 5.

Increase in percentage of PFOs without knowledge is indicative of new owners involved in forest activities. Male PFOs evaluated their knowledge with 3,4 points, female – 2,8 points in 5 point system. Average value of level of knowledge is 3.1 points, in group of active PFOs is only a little bit higher – 3,4 points.
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It was striking that 56% who had no knowledge had performed forest management activities. Analysis of contradictory information on knowledge and activity level of single forest owners showed subjectivity of such kind of evaluation. For example, some of owners do not practices, but they are sure they have enough knowledge to manage a few hectares of forest. Owner who had quite large experiences bought some more hectares of forest land and after it he had no knowledge to manage so big property in proper way.

UNDERSTANDING ABOUT NATURE PROTECTION

About 85% of respondents affirmed that they know what nature protection in forest means. When they were asked to clarify their answer, 65% of them couldn't do t. Every third of PFOs mentioned that some demands of nature protection in harvesting and other activities were included in legal acts. Comparatively many respondents mentioned restrictions for cutting in the time when birds are nesting. Each tenth remembered something about general aspects – protection of flora and fauna or forest role in production of oxygen. The same number of respondents was assured that nature protection in forest is related to protection against forest fires. Several owners are sure about following: not to cut forests without permission and in general, to behave according all rules. It is discovered that "cleaning" of forests from branches and dead wood is also part of nature protection.

Second question was more detailed on environmental demands directly in forest management. 58% of PFOs answered affirmative to this question, but in practice only each fifth could state at least one requirement of legislation. Interesting fact, ecological trees were mentioned in PFOs group with average forest holding size above 16 ha. There was also viewpoint that environmental protection was secured if there were no cuttings or management of property done according forest management plan. Each tenth owner was sure decrease in cutting amounts would secure nature protection.

Understanding of active PFOs of nature protection issues to general group is comparatively higher. Answers were more extensive, specific and a lot of aspects of forestry as diversity, sustainability, ecological trees, selective cutting were mentioned. On second question about nature protection 67% of active owners gave at least several correct answers. Every third mentioned ecological trees or dead wood.

More than half of PFOs (67%) were sure that there is a need to increase size of the protected areas in forests. In group of active PFOs this number was lower – 48%. It is found that knowledge of PFOs in forestry has direct impact on understanding of questions about nature protection. For example, 87% of PFOs without knowledge in forestry were sued that increase of nature protected areas would support nature preservation in forests.

VIEWPOINTS AND KNOWLEDGE OF PRIVATE FOREST OWNERS

Several topics for discussions were used in surveys to make sense of forestry behaviour of PFOs. Results related to forest management tendencies and marketing and attitude to these topics are presented below.

PFOs were at one that forest after cutting must be regenerated. Almost all PFOs (95%) agreed that grownup forests could be cut, withal 83% of PFOs were sure that forests were over-cut. In group of active PFOs this number is lower – 67%.

Predominating problem in forestry sector was over-cutting of forests. It was viewpoint of 40% of
PFOs (in active PFOs group – 28%). Both groups agreed that forest stealing (15%) and offensive forest management (13%) were among the most important problems. Lack of regeneration activities is mentioned by every tenth respondent, but in active PFOs group – by every fifth. One fourth of active PFOs assured that one of the most important problems in forest sector was gaps in legislation system. Also irresponsibility of PFOs was mentioned. List of other problems mentioned by active PFOs was long and included full spectrum of forest related activities.

Also in survey by LFS forest regeneration, forest management and reforestation were mentioned first of all. 26% of respondents in this survey also mentioned combating of crime in forest sector.

Each forth mentioned that she/he had had problems in forest management both in 2001 and 2003. Problems mentioned in 2001 were shortage of financing and machinery, low-value forests and lack of time. More than half who mentioned problems couldn't state them. In 2003 list of problems was more specific, not so general. For example, bad quality forest roads, lack of planting material, damages caused by animals, wrong management of neighbouring property.

Analysis of answers on questions about taxes provides interesting findings. 68% of PFOs considered that level of taxes is too high, but in further discussions only 42% of them mentioned that they preferred to have lower tax rates than existing. Desirable tax rates were higher than existing! Not all PFOs knew taxes related to forest property or management. 79% of PFOs owners mentioned tax on real estate, but only 15% - income tax. A few owners knew about tax allowance on young forest stands. In group of active PFOs level of knowledge about taxation system was higher; above 40% of them used different tax reductions.

More than half of PFO knew about possibility to sell cutting areas in auctions, but nobody tried it. Most frequently mentioned reason for it was the fact that they did not have large amounts of wood; they could do all activities by themselves and didn't want to pay the mediators and distrust to such kind of possibilities.

Less than 20% PFOs based their business activities on contracts. In respect of agreement, totally 6% of PFOs considered that they were cheated. Majority fraudulent practices happened in buying - selling process, but some of them also in harvesting process.

Asked about topics where they had a need for additional knowledge PFOs started with regeneration, pre-commercial thinning and requirements of legislation related to forestry. Usually 10 to 20% of respondents mentioned other types of forest management activities and afforestation of AAL. Interest about environmental issues is close to 10% of PFOs, but about marketing, business, non wood forest resources did not reach 1%.

**DISCUSSION**

Results of surveys presented in the paper in average PFOs group don't include "urban" forest owners - approximately 15 to 20% of PFOs living in big cities. Urban PFOs are part of active PFOs. Several surveys of PFOs based on methodology presented in the paper were carried out during last 10 years in Latvia. By the fact most of them were oriented on special target groups or tasks and didn't represent overall situation in PFS, no results from them were used here.

Main target of discussion part is to attract attention on aspects in PFOs behavior which were not explained by previously founded coherences or explanations. There are several concessions that need further studies. There isn't any proper explanation except dominating stereotypes or paradox for several activities and viewpoints of PFOs.

As a great part of forest resources belongs to PFO, they can be important suppliers in timber market. Unfortunately, information obtained in surveys demonstrates that PFOs attitude to harvesting activities is more negative than positive. Also survey data organized by Forest Authorities in 2003 presented that 27% of respondents (700 PFOs) thought that harvesting amount in PFS is "heavily too much" and 43% - "too much". In the same time PFOs assured that forests must be managed and found out that harvesting of grown up
stands was desirable. Stereotype number one "harvesting has ill fame" is widespread. There is a guess that reason for stereotype could be comparatively resounding speeches on behalf of the environmental organizations and increase in number of trucks with timber on roads due to overall development of forest sector in last 10 years.

Data from survey in 2003 gave affirmation to results of survey from 2001 that PFOs are not interested in the increase of harvesting and other activities. By the data of SFS level of harvesting activities in last years in PFS is stable and share of illegal cutting do not exceed 1%. Taken a whole harvesting level in PFS in last 5 years are about 7 milj. m³, regeneration level in last 3 years increase by more than 5 times and in 2004 reached 21 357 ha in PFS, but it is still law to compare with prerequisite amounts. But all PFOs agree that after cutting forest must be regenerated. Regeneration is also in top of the list of more actual questions of PFOs. The easiest explanation of situation – knowledge and understanding do not guarantee that everything will be managed and done according to them.

There is no accurate information about percentage of PFOs decided that the best way to preserve value of the forest and inheritance for future generations is to do nothing, - neither harvesting, nor thinning. In this case some amount of timber resources is taken out of market, but far worse - quality of timber under "no management at all" in most cases decrease a lot. This is also one of stereotypes more common among older, especially female PFOs.

Attitude of PFOs toward auctions and "knowledge" on taxation system also affirm fact that PFOs don't see themselves as players in markets. Widespread viewpoint of PFOs – market is meant for companies and big owners. Owners don't want to participate in business either with timber or non-wood forest products.

In many cases PFOs prefer to sell timber without any documentation and get payment in cash. As it is well known, older people try to avoid any formalities (agreements, bank transfers) and trust their neighbors more than business people. One of the widespread stereotypes in country side is not to trust businessman! PFOs support gray business and indirectly decrease budget of regional municipalities and also their own wellbeing.

Welfare level of PFOs in country side is below average in our state. As they have resources (timber, land) they must be interested in having some benefit from them, but they aren't. Social portrait of owners shows that most of them are in retiring age and without experiences in small business activities. No wish to get knowledge or afraid to do something – what is the main reason?

By information of SFS in 2004, totally 1 956 ha of forest area are established in AAL. Area of afforested AAL increase year by year, but it is still a few thousand hectares per year. It is inexplicable, why information given by PFOs about actual and potential areas of AAL and their afforestation differ from statistical data more that twenty times. By easy calculations based on numbers presented by PFOs in case they fulfill their plans on afforestation, forest coverage will increase for more than 10% in Latvia.

Officers of SFS were shocked and a little bit skeptic when results of these surveys were presented. By detailed data analysis not always based on scientific methods it was found out that so high activity level in plans of PFOs caused by information about possibility to get EU subsidies. Each owner calculated how much area she/he had without management and decided that it all is as AAL and subsidies would be as a source of income. Get money and plant trees – it is easy!

In very seldom cases PFOs only mentioned something about lack of cooperation, participation in different projects or other forest related activities at municipality or regional level. PFOs do not see business opportunities in their daily life. For example, it is so common that they live close to forest and nature that it is hard to imagine that somebody is ready to pay for it. Of course, it is also other side of this business – it needs at least small investment and demands lot of bureaucracy.

PFOs don't want to be forest harvesters; they would like to be preservers. Wrong perception what nature protection is and what is good for forests take down to situation that all forests will look like parks in towns – without dead wood and any branches.
Every researcher wants to discover something new and unique, and present it to decision makers and colleges. Due to this a lot of old discoveries are forgotten. For example, Rosen, B., Kaiser, F., Baldeck in 1989 wrote that "nonindustrial private Forest Landowners are nonprofessional marketers, their search and decision processes as sellers are similar to those they execute as consumers. Both the extent of search and the quality of the sources consulted are low when compared with normative standards". It is can be explanation of the fact, why all activities to organize selling of wood from PFS in auctions have had a failure. Also other marketing and information materials produced for PFO in lot of cases do not reach target group, because they are not understandable for PFOs.

Also in surveys it was found out that PFOs capture "professional" information in other way. Several respondents answer that they do not provide any "management activity", but after some minutes they declare, that they do planting and cutting. In several cases "management planning" is taken in as "harvesting planning". Forest as income source means two possibilities – to get income from forest or to earn money by working in forest for others. Forest is not income source. Why? Income is something general and lasting, not just once in year.

There are several analogies, as well as contradictions in results from studies in Latvia presented by Vilkriste and study results in Scandinavia published by Järveläinen, Karpinnen, Lönnstedt, Pesonen and other authors. Discussion part in most cases is the best part of papers, but it is always better to continue discussions with specialists interested in such field of research at present. As target of discussion part was to attract attention to several factors influencing developments of PFS in general, it will be reached in case when some feedback as call to workshop or sharing experiences or new application for common projects will be carried out.

CONCLUDING COMMENTS

PFOs in rural areas have great resources, but at the moment they are not used in effective way either from viewpoint of rural development plans or welfare of PFOs. Attitude to forest management in general is formed by several stereotypes and not on the base of understanding of general regularity.

Misunderstanding on nature protection and forest management issues can be a reason why activities carried out in PFS do not correspond to the needs of the state policies in different sectors of national economy, not only in forestry.

Extension system of SFS in cooperation with other tools of FP proved that it is possible to change owners’ forestry behavior and increase their activity level in reforestation. By using knowledge on PFOs social portrait and motivation factors it is possible to work out proper tools for getting PFOs involved in other activities.

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