

FOPER Project
European Forestry Institute

A TENTATIVE VISION OF THE MAIN FACTORS OF CHANGE IN THE BAKAN REGION RELEVANT FOR THE FEP MASTER PROGRAMME AND PROFESSIONAL TRAINING

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Objective

To try to define the key factors of change influencing the forestry sector in the Western Balkan region (time horizon: 5 years)

A qualitative analysis

Two problems in defining possible changes:

- the direction
- the size: mega trends vs. weak signals



Instrument: PESTE Analysis

Political - legal

Economic

Socio – cultural

Technological

Environmental

Key factors

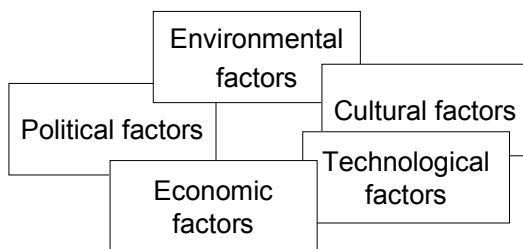
Future training needs

Competences

Challenges and opportunities



Overlapping:
look at the contents, not at the headlines!



Political-legal factors

- Definition of country borders, greater stability, functioning democracies: **room for integration** of economic and political systems
 - **Isolation of non-EU** member countries?
- Reduced monopolistic position of State enterprises; **privatisation; outsourcing**
- Stricter **environmental protection laws** and more effective **law enforcement**

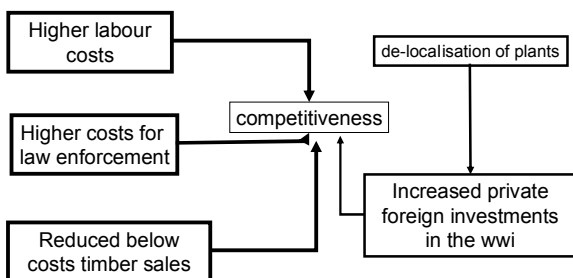
Political-legal factors
Impact on the Western Balkan forestry sector

- A more stable political context → **reduced risks** for foreign investors in the wood industry and in tourism
- **Improved factors mobility**: labour, capitals, technology, entrepreneurship
- **Emerging private forest owners/managers**: (new problems: mis-use of forest resources, associations, market access, etc.)

Economic factors

- **Reduced foreign financial support** by EC and other public institutions to the stabilisation of the economy
- Reduced **Asymmetric Trade Measures** (ATMs)
- Increased **private foreign investments**
- Improved **infrastructures**
- Foreign trade **liberalisation and market internationalisation**

Economic factors
Impact on the Western Balkan forestry sector



Economic factors
Impact on the Western Balkan forestry sector

stronger competition among countries and in domestic markets in the wood product sector

- Reduction of **small scale sawmilling**
- Good potentials for **high VA production** based on high quality logs (e.g.: furniture)
- Lower competitiveness in the **capital intensive sectors** based on low quality material (e.g.: pulp, paper, panels)

Economic factors
Impact on the Western Balkan forestry sector

- Stabilisation/reduction of internal demand for wood products in the **building sector**
- Higher demand for **tourism, recreation, hunting, biodiversity** protection
- Stabilised/reduced internal consumption of **fuelwood** → **room for forest improvement**

Socio-cultural factors

- Increased social mobility; life-style changes towards **consumerism** (e.g.: increased demand for paper, packaging, furniture, tourism, recreation) and **urban models**
- Higher **social status of women**
- Increased income **distribution inequalities** → stronger contrast between urban/rural areas
- Increased levels of education; Bologna process implementation → **teachers and students mobility**, further **internationalisation** of the higher **educational systems**

Socio-cultural factors

Impact on the Western Balkan forestry sector

- Conflicts/potentials in the **turn-over of the “old” leaders** in the forest administration and university
- From a *top-down government of the forests* to a **participatory governance of the rural environment**
- A **new image** of the foresters (in the past: man, timber, smoker, drinker, hunter), with more ladies, more contacts with the urban context

Technological and innovation factors

- Quite limited **public investment** on research → low speed of **technology transfer**
- Problems of **obsolescence**, esp. in public controlled industries
- **Weak link** between universities-private centres of innovation

Technological and innovation factors

Impact on the Western Balkan forestry sector

- Lack of a culture, **attitude to innovation** in the forest sector
- Strong role of private foreign wwi in **introducing innovations**
- Problems of innovation development and transfer for the companies working in the **NWFP&S sectors**
- **Increased technological gap** between public administration and private sectors

Environmental factors

- Higher **demand for env. protection** (→ NPs, and PAs)
- **Stronger institutions** (public authorities, ENGOs), stricter regulations, voluntary initiatives
- **Global warming**, KP implementation
- **Water** management
- Demand for **env. and socially responsible products** and services - CSR

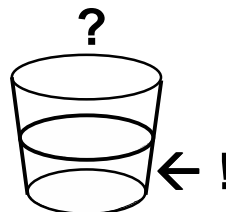
Environmental factors

Impact on the Western Balkan forestry sector

- Reduced over- and irregular logging, increased growing stocks: how to **manage the process of extensivation?**
- Rooms and needs for improving **game management**
- Global warming: **higher risk factors** in the costal areas (fires and insect attacks)
- **Forest and water**: silviculture techniques oriented to the provision of drinkable water and to soil protection
- **Responsible management, production and trade** of forest products (communication, certification, labelling, etc.)

To open the discussion on the Balkan vision

- Let's try to contrast the idea that “*Past is only a prologue*” (Shakespeare)



- Scenario modelling: a way to be pro-active

Maybe it won't be so understandable to you,
but don't worry,
neither it is to us who are born here.

(Sarajevo, 16.12.1998)

