

Forestry innovations - The “Vânători Neamț” Natural Park forest management certification

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1. Introduction

In a broad sense, the innovations are those technologies or processes that make the difference between companies, economic sectors, and countries. Nowadays, more than ever, the rate of information update is larger as a result of new discoveries; the most powerful countries are the ones that strengthen the innovations through research projects.

Romania is still a developing country and it is known that the productivity and competitiveness are strictly correlated with other indicators, such as unemployment, living standard and life expectancy at least. To increase the gross domestic product new solutions are expected to come up with. They can be found only through research and development that depend on the *innovating capability*. This is why innovations are really important in forestry field as well as in any kind of production activity.

Analyzing the activity and the management plan of Vânători Neamț Natural Park – V.Nt.N.P. (figure 1), we can observe the following: *product innovation* (especially founding different modalities to capitalize the services offered by the Neamț region) and also *innovations of organizational process* (Weiss G, 2005 a) by identifying useful organizational ways from different standpoints – economical, ecological and social – for capitalize of wood or non-wood forest products (e.g.: the chains of custody from the forest certification).

The present analyze is resumed especially to forest certification (f.c.) aspects

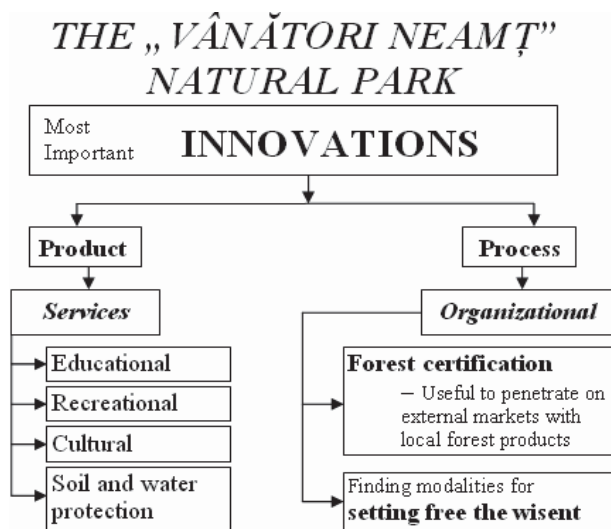


Figure 1 – Innovations in „Vânători Neamț” Natural Park

because at that moment (2001-2002) this kind of action constituted a national level innovation, which was undertaken from the western countries practice where it has been successful.

We are interested how this process was received in Romania on national and local level and which the expected effects are. All the mentioned innovations are strongly connected with forest field because they are looking first of all for new modalities of conservation the existing biodiversity in “Vânători Neamț” Natural Park and second – new modalities for a superior

capitalize on domestic and external market, but especially looking up for new external markets for the local certified products with advantageous results in economic growth.

2. European perspective

- We tried to attract tourists in Neamț region by identifying and establishing appropriate promoting and public awareness campaigns for the existing attraction points (considering that a public demand, especially on the international market) and then creating new accommodations and facilities on those places (Romania disposes a indisputable cultural and natural heritage which awaits to be capitalized).
- Penetrating the international market with forest certified products which meet, for example, the EU quality standards and which achieve a price premium (because they have been provided from sustainable managed forests); in this way our local products would be highly appreciated in economic terms (*equal incomes at lower production costs → less resources consumed → lesser human pressure on forests*).
- The Europe takes also advantage of the access to the Romanian economical resources and the cultural heritage will be better-appreciated → broad recreation possibilities in unique and remarkable beautiful places.

3. Snapshot on Vânători Neamț Natural Park' business area

The current institution has a natural park statute, and its most important objectives are:

- enhancing the existing sustained forest management;
- preserving the landscape and local traditions;
- reintroducing the wisent in its natural area and
- encouraging the tourism based on the above-mentioned values.

The region values diversity from natural, cultural, traditional, historical and religious point of view that often has created special opportunities for promoting the image of the region. The “Vânători Neamț” Natural Park establishment is strongly connected to the “Biodiversity Preservation Management” action program, which is still ongoing and has started in 1999. This program has a range of (nationals or locals) objectives, aiming at consolidating the management capacity and setting up new models for the protected areas management. It is meant as a pilot model for biodiversity conservation through sustainable forest management.

The annual turnover consists of:

1. charge on guidance services offered by the personnel involved in this kind of activities;
2. the outcome of providing certificated wood and other certificated products;

3. the cost of tickets for visiting the zoos, embodied into the park, as well as other sources of income.

The Park is managed by the Park Administration, which consists of a small team of employees, this Administration being subordinated to the county subsidiary of the National Forest Administration.

Along with these core personnel, the forest management is being supported by the employees of two forest districts (Văratec and Târgu Neamț) and some employees of the Neamț forestry county department.

Products (especially services):

- creation and maintenance of biodiversity;
- reintroducing the wisent in its natural area, considering its symbolic value across the historical region of Moldavia;
- improving the forest management;
- developing the tourism in the region as well as providing guidance services;
- cultural heritage conservation;
- rural development.

Markets and customers:

- Whenever we are talking about protected areas, we must keep in mind this kind of activities are oriented towards ecological goals, nor meeting the customers' needs; this on the one hand. On the other hand the ecological goals must be harmonized more or less with the requirements of having had a sustainable development across the whole region wherein the target ecosystem is being placed, including the local people.

- If we talk about the certificated products and forest management, then the customers can be very different, and they may come from all the parts of the globe.

Main trends within the business area:

Tourism development: there is no finalized touristy study for this park, but one is in progress, and it is made along with Geography Faculty of Iași. The region has a very high touristy value, confirmed by a great deal of tourists, especially in the summer season, or in the important feasts periods.

Particular goals to pursue are as follow:

- almost all the tourists visit mostly the monasteries and the “Dragoș Vodă” wisent reservation;
- attracting tourists and extending the housing period through eco-tourism development and promoting of natural, traditional, historical and cultural values of the region;
- building up the breeding centre for wisent, getting an appropriate genetic material and adequate conditions establishment for the first group of wisent;
- encouraging the communities for keeping up the spiritual values and traditional lifestyle;
- promoting and creating the opportunities for a sustainable development of local economy, according to the park management objectives;
- public and local communities implication in park values conservation through education programs;

- enhancement of the administrative capacity, the establishment of the conformable mechanism for continuation of initiated activities and the promotion of a tight collaboration with the interest factors.

4. Present situation regarding innovation aspects

The most important innovation is even the idea to create this park and one can say that getting the certificate from FSC for a good management has opened new ways for diversify the activity. Hereby, in 2003 the certification process ended up. The forest management of the two districts (Văratec and Târgu Neamț) which compound The “Vânători Neamț” Natural Park, was the first certified in the country. Nowadays, it has initiated the certification for a million hectares of the state forests administrated by the National Forest Administration.

In the context of forests retrocession to the ex-owners, there is the risk of some negative impacts over forests’ ecosystems and their biodiversity. To prevent this, it must be take on all the conservation measures inasmuch as this patrimony is already emblematic for the region. The management plan was created primary for biodiversity conservation. At the same time there were undertaken actions for biodiversity inventory along with identifying the negative externalities (e.g. de-pasturage, tourism, hunting and other forms of resources use).

As long as the followed objectives in the existing management plan are part of a middle and long term strategy, as far as the “Vânători Neamț” Natural Park has been hardly founded in 1999, it is premature to discuss about some concrete results. As for timber hardwoods from 2004, by the 30 thousands cubic meter certificated wood, only about 300 cum have been sold as certified wood being take by other firms from the custody chain, and the rest were sell in the same conditions as the an-certificated wood because the lack of certificated firms from the others links of custody chain.

Before starting the certification process there was no difference between the properly managed woods and the un-properly managed ones, providing for the managerial plans that have been developed in accordance to some national standards. In the context of recent forest restitution, when any forest owner thinks that he can be forester at the same time (even if he has no knowledge about this kind of activity) as well as he is a proprietor, the percent of bad managed forest has increased. Nobody made the difference between raw material collected from forests with a sustainable management and the stolen one. In those conditions it appeared another problem: how to prevent the existing natural forest destruction and how to protect them from degradation trough bad management. Another local problem was to find out the best way of reintroducing the wild wisent in the region. After a solid documentation, the solutions founded were: first to create the natural park (1999 by transforming the existing “Vânători Neamț” protected area) and second, to certify the forest management and forest (wood or non-wood) products.

Forest certification as innovation was implemented by a scheme as that presented in *figure 2*.

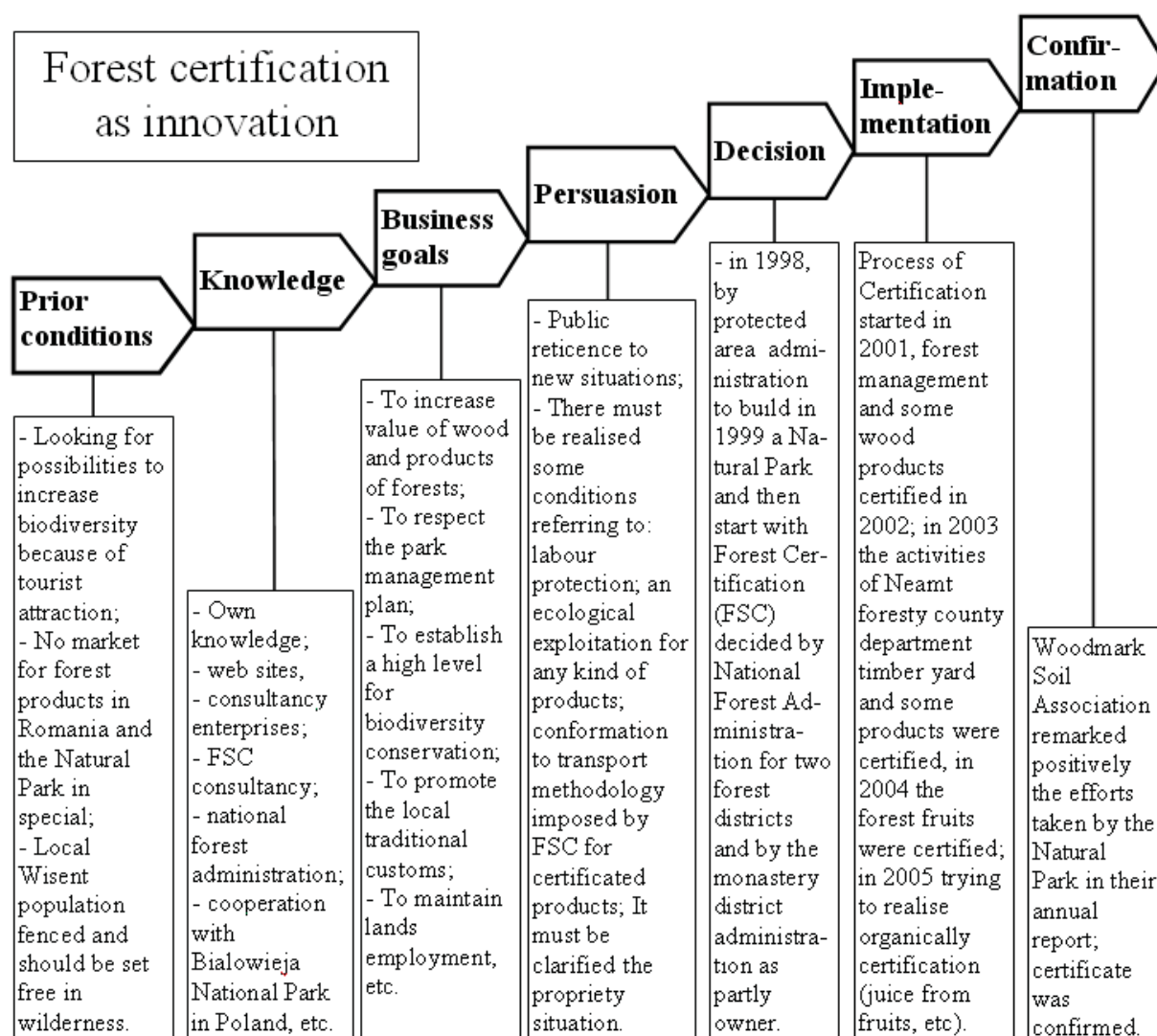


Figure 2 – Phases of V.Nt.N.P. f.c. (inspired from Ramesteiner, 2005)

Problem situation:

- public reticence to the new situations;
- some pre-requisite conditions referring to: labor protection; ecological exploitation of any kind of products; conformation to transport methodology imposed by FSC for certificated products; creating buffer areas nearby watercourses; increasing the number of dead trees left in cutting area, etc.
- the propriety rights must be clarified as well.

Legal status or organizational structure of the innovation in the institution:

- the legal status of forest certification from The “Vânători Neamț” Natural Park is provided by the organism of certification Woodmark Soil Association accredited by FSC.

If we are talking about the propriety situation, there must be admitted that the analyzed area is a sound case considering that currently, as a large share (5.254 hectares) of the total forests area (which is 26.322 ha) belongs to the Neamț Monastery and only 135,2 hectares are divided into small ownerships; the rest is still in state propriety. It is sound case study because it was proved that a forest management is more efficiently as long the managed area is larger. *The most*

important advantages are that the annual turnover is larger and the costs are smaller; consequently the profit is larger (Kajanus M., 2005), while the forest destruction is smaller and smaller and even more the percent of forest land would grow.

5. Market analysis: potential, competitive circumstances

About market analyses it was proved that forest certification is really advantageous because forest products rise from a sustainable managed forest achieve a price premium on the market if this attribute is testified by a FSC certificate and also these products penetrate easier on the appropriate markets.

As one can see in the left panel of figure 3, nowadays, the exogenous factors that influence the equilibrium price may move both the demand and supply in different directions, the outcome of this process being the price volatility. A volatile price of the rough material (as the wood actually) is not good at all for having a long run strategy in wood industry; therefore the investors' money may go in other sectors, wherein the market is more stabilized. After certification, the equilibrium price may randomly go in a narrower space (the right panel, figure 3), because the exogenous factors contribute to a grater extent to keeping the within the boundaries of the equilibrium price. Thus forest certification contributes to keeping an equilibrium price and it can be considered *a regulator for the forest products market on short time*.

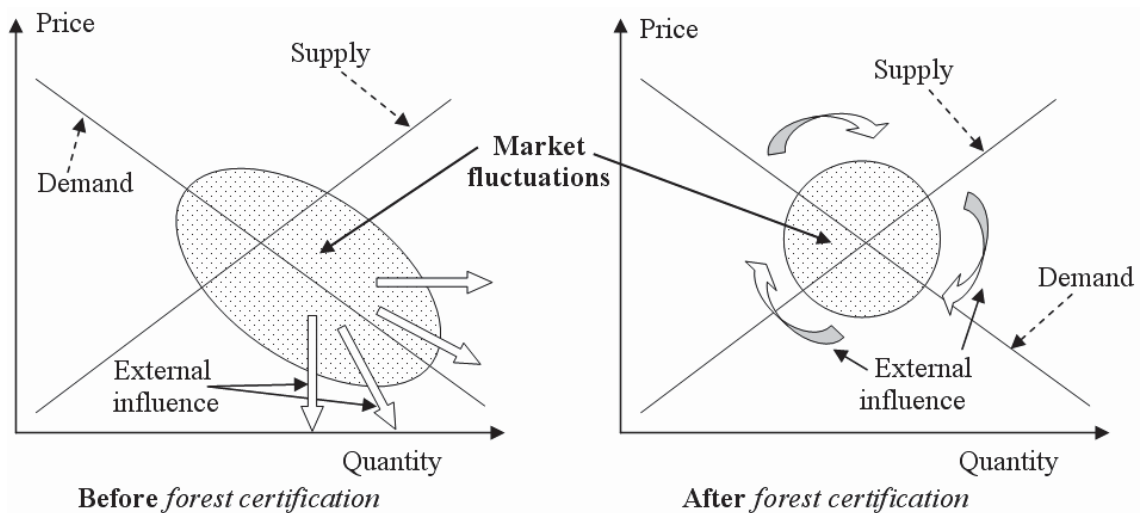


Figure 3 – Time comparative analyze of forest products' markets in Romania considering forest certification as main factor of influence

Although we do not have factual information about demand of forest products on different markets, all the local, national or international economic levels the analyses carried out so far, have proved that as long as the world population continue to grow and any kind of resources are lesser (forest resources are also included here), it can only be said that the demands for forest products and services are larger and larger and, implicitly, the human pressure on forests will increase.

6. Lessons learnt

We cannot have progresses without innovations and, Romania needs truly to escape from the actual stage of transition.

The institutional level interactions and public and private institutional actors are really important because even in the case of very simple innovations that are mainly developed by one single company there are already many actors to be considered (e.g. authorities), and even more important in complex cases so it can be said that *horizontal and vertical cooperation should be achieved for successful implementation* (Weiss G., 2005 b).

It is really important *to improve permanently the techniques of forest ecosystems conservation* for preserving the actual forest heritage and to respect the most important characteristic of forest management: **sustainability** which involves economic, ecologic and social respects.

Innovations are necessary to take advantage of the existing markets and to enter the new ones. Innovations management means that the *innovations process should permanently be guided* and for the beginning, we have to learn from the developed countries and from the past failures.

Because in everything we do it is good to take in consideration the systemic theory, we should *always look at the framework and surrounding conditions* and also to recall that one single innovation may have multiple (expected or unexpected) effects. So, it is important to analyze environmental and local conditions and to foresee possible side effects.

Market analysis is absolutely necessary for successful implementation of an innovation. Innovation and success of innovation are correlated with size of enterprise.

7. Recommendations to enhance the innovation

1. The market of certified forest products has only been created shortly and most of certified wood products are sold without label (as uncertified) and consequently without price premium because of the lack of demand for these products in different countries, so the first recommendation is to finalize the certification to the last link of custody chain.

2. To create finite wood products increasing hereby their added value (e.g. a furniture enterprise).

3. To have an adequate advertising policy on national, European and global level for the offered services and products, especially for the certified ones.

4. Permanently it must undertake market analyses for the products and services they can provide and must learn to be flexible on the market, to have the power to adapt to new conditions without being affected by the market fluctuations.

5. To develop permanently the actual innovations without expecting to take ideas from other countries or regions, ideas which can be already older and with a short time applicability.

6. To be open at any new information that can be useful for its development.
7. Continuous training and appropriate human resources management.
8. To take permanently into consideration the local populations and to develop the management strategies for the park according to their needs as the region has a very rich cultural heritage and the tourism can really push the economic development of the region.
9. To find the right way to reduce the local unemployment trough an adequate human resources management.

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Abstract

Forestry innovations - The “Vânători Neamț” Natural Park forest management certification

This material is the result of a Socrates Intensive Program named: *Integrating innovation and entrepreneurship in higher forestry education* and the most important goal was to analyze the implementation and evolution of forest certification in a specific case study (*Vânători Neamț* Natural Park) and to prescribe some efficient recommendations based on the information acquired during the mentioned program.

Keywords: forest, certification, management, market, product.

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