



Latvijas Republikas
Valsts kontrole

Management of forest resources

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When evaluating the problems of municipalities, we identified that they had not conducted an inventory of large volumes of forests, which led the auditors to question how the municipalities manage their resources.

Motivation and audit objective

To evaluate whether the municipality manages forest resources **efficiently** and whether it receives maximum benefit from the management of these public assets



Audit questions and criteria



1. Do you know what you have?

Criterion:
Completed inventory 100%



2. Do you plan activities in the long-term and annually?

Criterion:
Have a plan



3. Do you do your best to increase value of forest resources in the long-term?

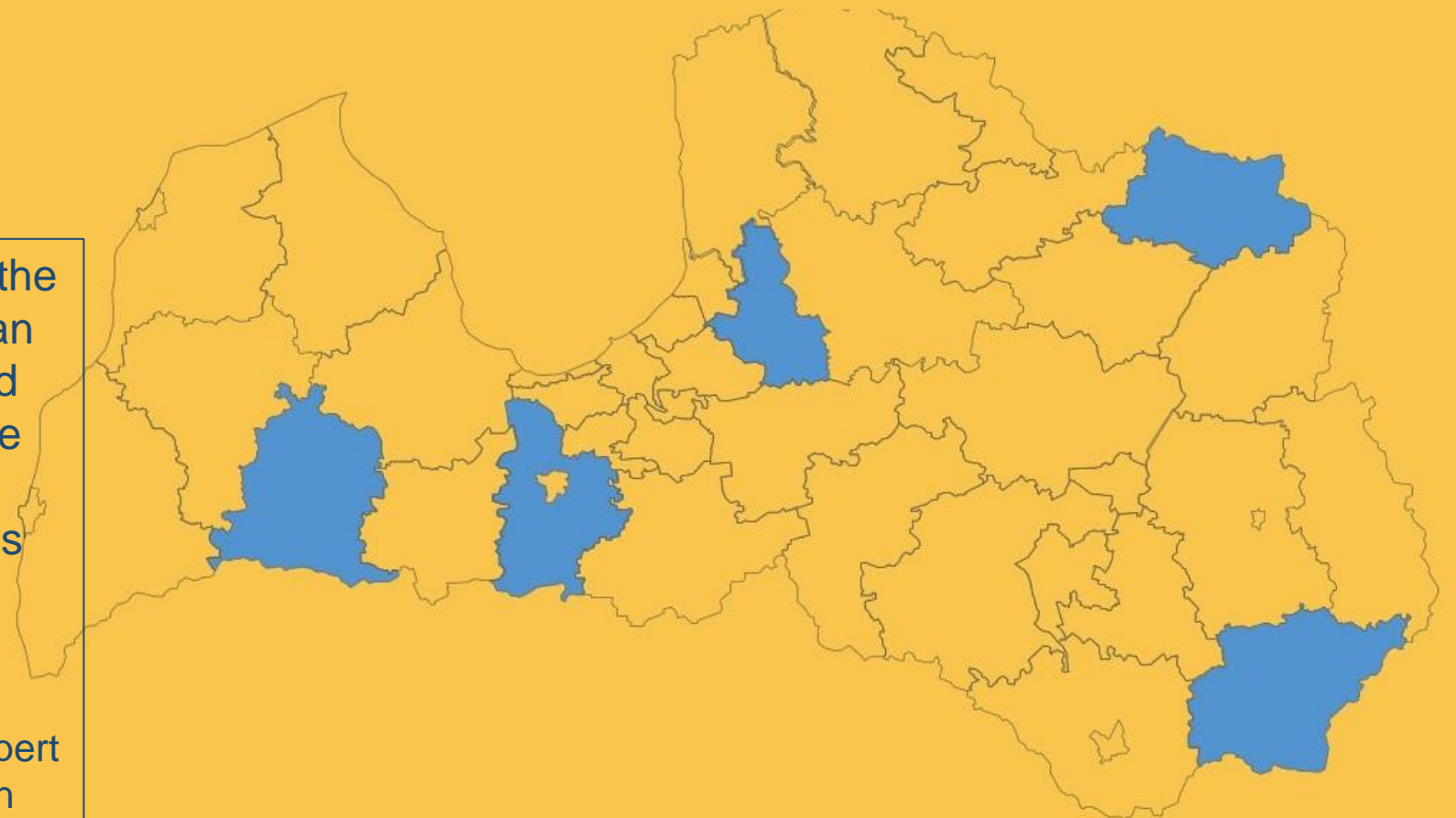
Criterion:
Value of managed areas and value of forest resources is increasing

Audit scope – 5 municipalities

Performance audit scope:
**How it could be, managing
efficiently?**

The municipalities included in the scope, managing forests on an area of 8,596 hectares, could annually generate net income ranging from **1,719,200 to 3,438,400 euros** (annually)

SAI Latvia estimate - based on expert calculation and scientific data on forest lease income ranging from 200 to 400 euros per hectare.



Audited period - from July 2021 to December 31, 2022

Main criteria and reasons on audit scope selecting municipalities

Criteria on selected municipalities:

1st Municipality, that has a forest management plan as a best practice

2nd Municipality has a policy to sell forests

3rd Municipality has a large area of forest which have not been inventoried

4th Municipality actively manages the forest

5th Municipality has conducted an inventory for all forests

Additional actions - the survey provides an overview of how forest management is conducted in all municipalities

Survey on forest management

- **Aim of the survey** - determine the forest management practices of municipalities
 - Contained 41 questions
 - 39 out of 43 municipalities participated in the survey (90% of all municipalities)
-

The survey revealed the main challenges and issues in forest management



No planning, no data, no knowledge about the extent of forest resources



Limits ability to carry out the necessary actions in the efficient forest management cycle

Expert involvement - the assigned task, added value in the report

Task:

Auditors do not have specific knowledge about forestry management activities. With the assistance of the expert, the audit team obtained sufficient evidence to evaluate the efficiency of forest management.

Evaluation provided:

In each municipality, in order to understand the value of properties, the expert examined 3 properties to evaluate the actions taken and 5 properties that are not inventoried.

Result:

Estimate of the potential annual income from:

- non-inventoried forest area in the short term (2.3 million euros)
- managing it more efficiently in the long term to gain an additional 426 thousand euros.



Audit methods



- ❖ Cadastral information system
- ❖ National Register of Forests
- ❖ Drainage System Cadastre



- ❖ Forest inventory and other indicators describing forest management



- ❖ Cartographic materials
- ❖ Publicly available digital maps
- ❖ Satellite and aerial photographs
- ❖ Geospatial data management and analysis



- ❖ Property inspection in nature (photos)
- ❖ Observation of agricultural land with drones, where areas are to be classified as forests
- ❖ Tree measuring instruments

Additional evidence obtained

Interviews with forestry industry experts:

- Justification for the necessity of a management plan
- Provided audit team with information about the volume of the forest resource, which makes it cost-effective for the municipality to hire a forest specialist
- Indicated and provided scientifically based data on potential income per hectare if managed in the best possible framework



Benefit – helped form the audit's main conclusions

Practices of other countries in forest management and organization of forestry

Firstly, thank you to WGMA members for sharing their practices on forest management!

- Out of the 8 responses received, the audit report included those responses that would be most helpful to the report's users in deciding or demonstrating which forest management models are used by other municipalities
- Regarding other practices, the audit report includes a proposal for all interested parties to come to the table and decide on the most appropriate management model for the municipalities

Results



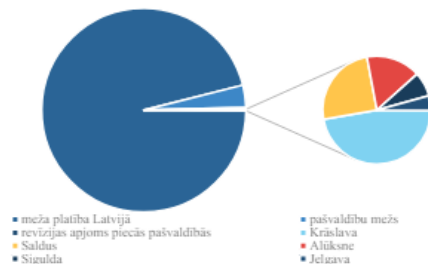
The video material prepared by SAI Latvia on the results of the audit
'Municipal Management of Forest Resources'



Audit report

Pamatinformācija

Mežs Latvijā **3 305 000 ha**,
t. sk. pašvaldību mežs tuvu **4 %** jeb
132 200 ha Revidēto **5** pašvaldību mežs – **8596 ha**
jeb **14 %** no pašvaldību meža (izņemot
Rīgu).



Revidētajās 5 pašvaldībās kopumā nav informācijas par **63 %** jeb **5451 ha** meža resursiem.

Tikai **2** no **5** pašvaldībām ir meža apsaimniekošanas plāns.

Neinventarizēto meža īpašumu un potenciālo meža resursu apsaimniekojot, revidētās pašvaldības **īsā termiņā** varētu gūt ieņēmumus vismaz **2 379 000 euro**.

Visas saimnieciskā meža platības apsaimniekojot produktīvi, t. i., atjaunojot mežu, kopjot jaunaudzes un krāju, novēršot pārpurvošanos utt., revidētās 5 pašvaldības **ik gadu** varētu gūt tiros ieņēmumus no **200 līdz 400 euro/ha** jeb no **1 719 200 līdz 3 438 400 euro**.

Pašvaldības nekustamo īpašumu un cirsma pārdošanas darījumus kopumā ir saņēmušas vidēji par **19 %** mazākus ieņēmumus nekā citi vienlīdzīgi tirgū esoši meža īpašnieki.

Izsoles darījumos cenas atšķirība starp novērtējumu un izsoles rezultātu konstatēta līdz **268 %**.

Izsoles darījumos nekustamo īpašumu, kuru sastāvā ir mežs, tālākpārdošanas cenas pieaugums konstatēts līdz pat **400 %**.

Revīzijas jautājums	Kritērijs ir sasniegts / nav sasniegts / sasniegts daļēji					
	Noteiktais kritērijs	Alūksnes novads	Jelgavas novads	Krāslavas novads	Saldus novads	Siguldas novads
1. Vai pašvaldības attīstības plānošanas dokumentos minētais attiecībā uz mežu apsaimniekošanu (mērķi, termiņi, rezultātīvie rādītāji) veicina efektīvu un produktīvu mežu apsaimniekošanu?		●	●	●	●	●
Pašvaldības ilgtermiņa un vidēja termiņa attīstības plānošanas dokumentos ir iekļauti izmērāmi mērķi, uzdevumi, termiņi un ar meža pārvaldīšanu sasniedzami rezultāti, kā arī pašvaldības rīcība atbilst plānošanas dokumentos noteiktajam.		●	●	●	●	●
2. Vai pašvaldība veic darbības pilnīgas un precīzas informācijas iegūšanai par tās rīcībā esošiem mežu resursiem?		●	●	●	●	●
Pašvaldība ir veikusi meža pirmreizējo un atkārtoto (ja attiecināms) inventarizāciju.		●	●	●	●	●
Pašvaldībā ir izstrādāts rīcības plāns neinventarizēto mežu pirmreizējai un atkārtotai inventarizēšanai.		●	●	●	●	●
3. Vai pašvaldības plāno meža apsaimniekošanu?		●	●	●	●	●
Pašvaldībā ir izstrādāts un apstiprināts ilgtermiņa meža apsaimniekošanas plāns.		●	●	●	●	●
4. Vai pašvaldība veic darbības, lai palielinātu "saimniecisko mežu" vērtību?		●	●	●	●	●
Pašvaldība mežos, kur pieļaujama mākslīgā atjaunošana, atjaunošanu veic stādot vai sējot, izmantojot selekcionētas sēklas vai stādus.		●	●	●	●	●
Pašvaldība veic jaunaudžu un krājas kopšanu atbilstoši labajai praksei.		●	●	●	●	●
Pašvaldības uztur izveidotās meliorācijas sistēmas.		●	●	●	●	●
Pašvaldībai nav pāraugušas, nekoptas vai pārmērīgā mitrumā augošas mežaudzes.		●	●	●	●	●
5. Vai pašvaldība darījumos ar meža zemēm un koksnes resursiem rīkojas saimnieciski?		●	●	●	●	●
Meža īpašumi un koksnes resursi tiek pārdoti par iespējami augstāko cenu.		●	●	●	●	●

Zaļš – kritērijs izpildīts, **dzeltens** – kritērijs izpildīts daļēji, **sarkans** – kritērijs nav izpildīts vai konstatēti būtiski trūkumi.

Main conclusion and expected outcomes after implementing the recommendations

Municipalities do not know what they own, do not plan or take action, therefore municipalities lose the opportunity to generate additional annual revenue of €3,4 million



By implementing 60 recommendations, positive changes will be achieved within the next 5 years

To reduce non-inventoried area by at least 50%

To prepare a forest management plan

Increase in managed forest areas (ha) by at least 25%, where forest management is carried out

Increased income from 200 to 400 €/ha per year through efficient management of forest resources



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Thank you for your attention!