

GOOD PRACTICE EXAMPLE

Agricultural and Forest Cooperative Agia Kyriaki



1. General description of selected process or SCORPS

The Agricultural and Forest Cooperative of Agia Kyriaki has its headquarters in Velvento and operates in wooded areas of the regional entity of Kozani. Its active members are 9, who are also the shareholders of the cooperative. Its loggers have excellent experience in harvesting operations, processing of wood products, logistics and trade of wood logs and firewood.

The main activities of the forest cooperative are:

- Forest harvesting operations
- Transportation of wood logs
- Wood logs processing for firewood production
- Logistics and trade of firewood
- Production and trade of other wood products (other services)

2. Why this process or SCORP was selected

The deep economic crisis Greece faces as the recession enters its fourth year, as well as the new fuel taxes introduced by the government, have caused a sharp increase in the price of heating fuel. This steep increase in heating costs has led many Greeks to switch from heating oil to wood-burning. As a result, the old wood-burning stoves and fireplaces have seen a revival, creating a lucrative market for legal importers and salesmen of firewood.

The main objective of the forest cooperative is the quality and reliability of wood trade in order to increase quantities sold in local market through a permanent network of costumers. The forest cooperative sells wood, especially firewood, in low and stable prices, improving the competition in the retail wood market. The cooperative monitors the technology development in the wood sector and tries to update its equipment and machinery.

3. Who is involved in this process or SCORP?

- 9 active members of the forest cooperative (loggers)
- 2 accountants working for the forest cooperative



4. Technical description

The mechanical equipment of the cooperative is:

- Chainsaws for felling and delimiting of trees.
- 2 Tractors for skidding of wood logs (mules are also used for skidding).
- Wood splitters and saws for the configuration of the wood logs.
- 2 trucks for firewood transportation and delivery to costumers.
- 1 lorry crane.
- 1 bus for the transportation of personnel (loggers).

5. Economical information's

The Agricultural and Forest Cooperative of Agia Kyriaki is a trade union own funded. It has annual contracts with the local forest agency and regularly monitors costs in its production, in order to reduce its indirect and direct costs. Their insurance contributions accounts to 25 % of their annual income.

Their equipment costs are:

- 180.000 € for a lorry crane
- 100.000 € per tractor
- 45.000 € for a wood splitter
- 100.000 € per truck
- 15.000 € for a mini bus
- 3.500 € for saws

6. Legal aspects

The 1975 Constitution, Laws 86/1969, 998/1979 and 1650/1986 constitute the basic legal framework of the country for the protection and management of forest and other wooded land. Forest and other wooded land are protected by articles 24 and 117 of the Constitution.

Law 86/1969 codified almost all the laws that had been issued since 1928 and had been amended and completed by Law 4173/1929. This law constitutes the Forest Code of the country and regulates matters concerning the protection, management, real property rights on forest land, taxation, exploitation of state and privately-owned

forests, forest improvement works etc. This code continues up to now to constitute the basic body of forestry legislation, although a lot of its provisions were amended and substituted by other laws such as Laws 886/1971, 996/1971, 248/1976 and 998/1979.

Law 998/1979 "On the protection of the country's forest and other wooded land" determines the specific protection measures for maintaining, developing and improving forest and other forest land of the country. This in turn aims at maintaining and improving the whole natural environment by direct reference to the legal status governing their ownership and use.

Law 1650/1986 "On the Protection of the Environment" includes a specific chapter "On the Protection of Nature and Landscape" which proposes new categories of protected areas and introduces changes in the administration and management of protected areas. The above-mentioned laws for protecting and managing forests were supplemented by Presidential decrees and Ministerial decisions.



The Presidential Decree of 19-11-1928 "On Forest management, felling regulations, Forest taxation and rent, disposal of products, resin collection and resin cultivation etc", regulates legislatively sustainable forest management. With this decree, incorporated into the Forest Code, the principle of sustainability is adopted in its simple form, i.e. sustained yield. However, the management of Greek forests based on sustained yield started after the Ministry of Agriculture issue Circular No 120094/499/1937.

7. Environmental aspects (CO2 savings, ...)

Wood absorbs as much carbon when it is growing as is released when it is burnt. Provided that the wood is harvested sustainably, so at least as much is grown back as is cut, wood is assumed to be a carbon-neutral energy source.

No allowance is made for the carbon cost of cutting and transporting the wood from the forest to customer within the short distances of the regional entity (up to 50km). It is assumed that the carbon cost of felling and haulage is de minimis.

8. Socio-economic aspects (new activities on farms, job creation...)

In the last 2 years no new personnel has been hired by the Agricultural and Forest Cooperative of Agia Kyriaki.