

GOOD PRACTICE EXAMPLE

PĂDURILE ȘINCII R.A.



1. General Description

In conditions of Romania, firewood represents a widespread resource for energetic use, especially in rural areas where the main customers are the individual households. This is also the case of communities located around the forest administrated by R.P.L. F.D. Pădurile Șincii R.A.. Provisioning track of the firewood is quite simple, because in most cases, after the planning and harvesting activities the firewood is provided at the roadside. F.D. Pădurile Șincii R.A. is located in Brasov County, Central Region, Romania and it was founded in 2004 and starting from 2010 it was transformed in local public administration.



Fig. 1. Staff of Private Forest District Pădurile Șincii

Presently, it administrates a total forest area of 19521.21 hectares belonging to communes (Părău, Șinca și Șinca Nouă), composesorate (Silva-Grid, Mira-Perșani, Cucuțiș-Vlad, Țaga-Șinca, Răureana-Răușor, Frăția Dealul Strâmbii-Toderița, Dabiju-Comăna de Sus) as well as to other owners (churches, schools, physical persons, societati comerciale). It has a number of 84 employees, collaborates with 40 harvesting companies and provides firewood for a population of about 7000 persons (2000 households). The average annual production of firewood is about 13370 steres.

2. A Good Practice Example

According to its activity domain, and relative to the supply chain for firewood provisioning for local population, F.D. Pădurile Șincii R.A., through its qualified personnel, participates in all the provisioning related processes starting with planning and ending with firewood selling to local population. Active involvement in local and regional development is the latest preoccupations of the forest district's personnel. Beside the employment for own people, substantial, contributing to the wellbeing of local population is proved by substantial price reduction for firewood (about 30% cheaper firewood for local population). Developing and rehabilitating the forest transportation infrastructure is assured by its own accessibility fund, and, recently, it participated in a local infrastructure project targeting the rehabilitation of a road. All the component processes in the firewood provisioning-production are managed using relevant ICT (all the administrated area has an updated GIS, wood selling and control is done using SUMAL – a nationwide implemented software, harvesting companies are selected based on bonity criteria – Contractor

Register and it possesses an updated accounting balance by using the accounting software ContNet).

The developed forest infrastructure projects contributed to the reduction of wood logging distances, assuring this way reduced costs for wood harvesting.

F.D. Pădurile Șincii R.A. invests in promotion of its own activities, services and products. For this purpose it uses its own website as well as announcements in local and regional media (newspapers and journals).

All the products (especially firewood) are realized using national standards, all the contract activities or services are done based on contracts and all the payments to and from the contractors are done before the legal deadline. Cost monitoring for all the processes in which it participates are done through internal audit which is mandatory and which provides the basis for cost optimization of specific processes.

Starting from 2010, an area of 14875.26 hectares was certified using the FSC system, fact which imposed the use of adequate ecological sound wood harvesting technologies. All the wood provided from this area is FSC certified, and the distinction between certified and uncertified wood is made by F.D. Pădurile Șincii R.A.

In order to improve its own supply chain for firewood procurement, F.D. Pădurile Șincii R.A. targets the construction of 1 to 3 storage and processing areas for wood.

3. Who Is Involved?

When delivering firewood to local population, several stakeholders are involved within the supply chain. Planning activities are done by F.D. Pădurile Șincii R.A. personnel based on forest management plans. Wood harvesting is done either by F.D. Pădurile Șincii R.A. or harvesting companies.

Activities control for F.D. Pădurile Șincii R.A. as well as for harvesting companies is done by the Regional Forest Inspectorate on a legal basis (Law 46/2008 – Forest Code, Law 171/2010 and Order 996/2008). Firewood is sold at roadside from where the individual householders may choose to make the transport by their own or they may contract transport services.

4. Technology

Covering several processes, F.D. Pădurile Șincii R.A. has invested in technologies for each process: planning, accounting-administrative, harvesting etc.

Planning

Planning activities are done using the state-of-art technologies. A comprehensive GIS system was implemented for all the administrated area and it was supported by WWF Romania. For administration purposes there is used SUMAL software which enables the work in several processes: evidence keeping for planning and selling

activities, harvesting situation on harvesting cutblocks, management activities, evidence of contractors etc. Field activities related to planning are supported by specific software (Fond+Transfer) which is installed on PDA's and is available for all personnel in charge with field planning.

Wood selling is organised in auctions and information regarding the available wood is disseminated using several channels: own website, local and regional media, by phone etc.

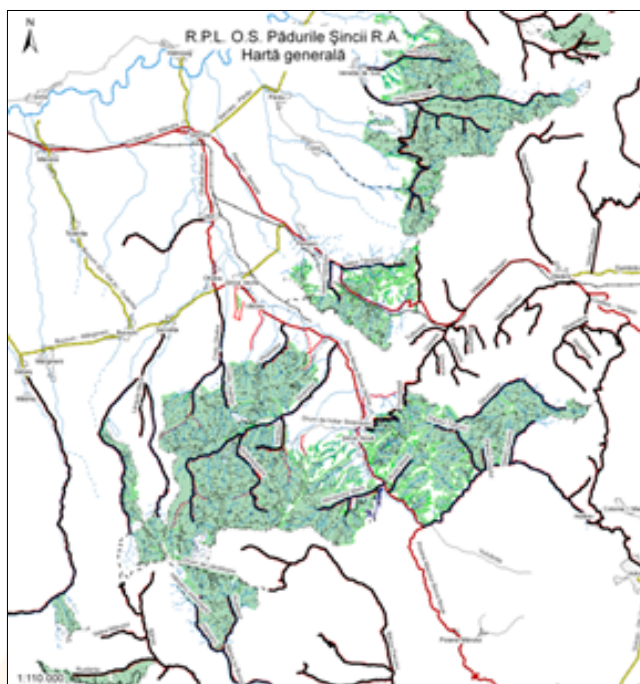


Fig. 2. A multifunctional GIS enables the efficient planning of forest resources

Harvesting and Processing

Despite the fact that F.D. Pădurile Șincii R.A. does not possess the latest wood harvesting technologies, it made substantial investments for this process. Currently, forest equipments comprise the following: 4 skidders, 8 chainsaws and a firewood splitter Posch.



Fig. 3. Low investments for own timber harvesting – a farm tractor adapted for forest operations

5. Investments and Logistics

According to the national legislation, for a sustainable management, all the forests must have a forest management plan. F.D. Pădurile Șincii R.A. invested about 33000 euro for contracting engineering services for forest management plans realization (this investment is done each 10 years). GIS investment which was supported by WWF Romania was about 3000 euro. Accounting and personnel software was purchased for about 700 euro. Own website realization costs were of 100 euro.

A total amount of about 4000 euro is invested per year for promotion activities. Also, for work safety and health, F.D. Pădurile Șincii R.A. purchased in period 2012-2013 protection equipment for employees as a result of an investment of about 8000 euro.

Skidders were purchased as used machines for an amount of 22000 euro, chainsaws were purchased new at an amount of 4000 euro while the firewood splitter costs were of 4000 euro. Additional forest equipment was purchased as follows:

- winch for skidding2900 euro;
- independent winch2450 euro;
- snow blade and a small excavator.5770 euro.

6. Forest Regeneration, Nurseries and Other Activities

Natural regeneration of the harvested forests is assured in a minimum proportion of 72%. However, in case of resinous species and clearcuts or substitution cuts, young trees are provided by own nurseries. For this purpose, F.D. Pădurile Șincii R.A. has established 6 nurseries for own use as well as 7 special cultures for Christmas trees. The last ones serve in order to reduce the pressure on natural forests during winter.

7. Prices and Quantities of Produced Firewood

F.D. Pădurile Șincii R.A. sells differentiated firewood, with an active involvement in wellbeing of local community. The amounts of firewood sold in 2012 were as following:

- harvesting-processing companies
(10.0% from available amount) 1341 steres;
- individual households (external communities -
(1.6% from available amount).220 steres;
- local community
(88.4% from available amount) 11809 steres.

The average firewood prices, including VAT were the following (sold at the roadside):

- harvesting-processing companies 14.9 euro/ stere;
- individual households
(external communities). 17.8 euro/stere;
- local community. 11.1 euro/stere.

8. Environment Protection and Local Development

F.D. Pădurile Șincii R.A. produces and sells about 13000 steres of firewood per year. In average, a stere of wood (beech) is the equivalent of 200 m³ of methane gas. In Romania, this quantity of gas is sold for approximately 60 euro. Due to the fact that the wood is CO₂ neutral, and the prices for wood-equivalents are very low, important economies are attained both in capital and CO₂ savings, making F.D. Pădurile Șincii R.A. one of the most important contributors in assuring environmental protection in region.

9. Formal Informal Stakeholder Networks

F.D. Pădurile Șincii R.A. is a full member of the Romanian Forest Administrators Association and is certified by A.S.F.O.R. (Romanian Association of Timber Harvesting and Processing Companies).



10. A Successful Business

Beside its forest administration oriented business, F.D. Pădurile Șincii R.A., covers most of the supply chain processes, which assures the competitiveness of fire wood products prices to the final (local) customer. The substantially reduced prices for fire wood are enabled by relatively reduced investments in equipments, as well as by the development of transport infrastructure.

