Private forestry contractors in Poland - current state and development opportunities

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1. Forest resources in Poland
2. Characteristics of forestry contractors
3. Basic condition of functioning of forestry contractors
4. Conclusions
Forests in Poland 2014

- 9.20 M ha
  - State Forests - 7.09 M ha
  - Private forests - 1.75 M ha
  - Others - 0.36 M ha

- Coniferous – 69.1%

- Growing stock
  - State Forests: 275 m³/ha
  - Private forest: 232 m³/ha
• Number of owners: ~900k
• Average private forest: 1.2 ha
• Total - 39.7 M m$^3$
  – 37.7 M m$^3$ – State Forests
  – 1.5 M m$^3$ – private
  – 0.5 M ha – others
Number of forestry contractors in Poland

[Source: General Directorate of State Forests]
Owned by natural persons – 90.9%
Civil partnerships – 8.0% of multi-persons
Registered partnership - 0.8% of multi-persons
Limited liability company – 0.3% of multi-persons
The total number of employees in forest companies in 2015 - 41351 people

Supervisors with forest education – 1234 people
Structure of forestry firms in Poland in 2010

[Source: General Directorate of State Forests]
Over 20 years of existence

1990 - 1996 – dispersed (emerging) sector

1997- 2004 – „maturing” sector

2004 – today - having some characteristics of a global sector
Basic external condition

Demographic and economic changes

- Ageing of population and extending the length of life, so in 20 years:
  - Population of Poland will decrease by 2 million;
  - Number of working-age population will decrease by 3.9 million;
- High labor costs -> civil contracts;
- Lower wedges compared to wages in the corporate sector. In 2012 almost 40% lower.
- Low prestige of the forest worker.
- Forest education – lack of vocational schools
Basic internal changes

- Loss of professional competence among forest workers;
- Average age of forestry contractor is increasing;
- Knowledge of forestry contractors on instruments and institutions supporting entrepreneurship is very low;
- Lack of an institution grouping forestry contractors
### Competitiveness index of forest firms [%] - the ratio of the number of tenders submitted by a forest companies and the number of work packages defined to tender by forest districts

<table>
<thead>
<tr>
<th>Year</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
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<tr>
<td></td>
<td>107,55</td>
<td>111,42</td>
<td>117,52</td>
<td>107,55</td>
<td>140,73</td>
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</table>
The forestry contractor sector should:

- Takes a multidirectional efforts to change the image and increase the attractiveness of work.
- Implements comprehensive solutions for continuous improvement of qualifications of forestry contractors, including changes in professional forest education.
- Seeks the support mainly in programs supporting the development of rural areas and small and medium-sized enterprises.
Thank you!

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