Government of the Republic of Srpska
Ministry of Agriculture, Forestry and Water Management

FORESTRY DEVELOPMENT STRATEGY OF THE REPUBLIC OF SRPSKA (2026–2035)

Abridged and Translated Edition

Banja Luka, 2026

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The Government of the Republic of Srpska, at its 15th session held on 18 December 2025, adopted Decision No. 04/1-012-2-1291/25 on the adoption of the Forestry Development Strategy of the Republic of Srpska for the period 2026–2035 (Official Gazette of the Republic of Srpska No. 113 of 25 December 2025). The publication was printed with financial support from the Ministry of Agriculture, Forestry and Water Management of the Republic of Srpska.

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PREFACE

Forests and forest lands are very important natural resources of the Republic of Srpska. Forestry in Republika Srpska is faced with complex changes in natural and social conditions, which must be taken into account in order to ensure the development of the sector. The basic and generally accepted principles of forest management and management are sustainable development and multifunctionality of forests. Due to their implementation, it is necessary to ensure a balance between the various needs of society and the functions of forests, as well as the integration of all stakeholders, government institutions, the private sector and local communities in the process of implementing activities that contribute to the development of forestry in the Republic of Srpska.

Recognizing the need of society to improve the state of forestry, the Ministry of Agriculture, Forestry and Water Management of the Republic of Srpska has adopted the Decision on the development of the Forestry Development Strategy of the Republic of Srpska for the period 2026-2035. This document represents the initial strategic plan for the continuous decision-making process and forest management actions, taking into account international agreements and other strategic documents of the Republic of Srpska, and in particular for development plans related to forests and other natural resources, sectors and related economic activities.

The Strategy sets out the objectives, priorities, measures, indicators and the framework financial plan for the implementation of key strategic projects for the sustainable development of forestry in accordance with the Law on Strategic Planning and Development Management (Official Gazette of the Republika Srpska, No. 63/21) and the Decree on the Drafting of Strategic Documents in the Republika Srpska (Official Gazette of the Republika Srpska, No. 94/21).

Banja Luka, December 19, 2025

Minister of Agriculture, Forestry
and water protection

Anđelka Kuzmić

Foreword

ABBREVIATIONS

AEI	Agri-environmental indicators
APFO	Associations of private forest owners
BAM	Convertible Mark
BHMAC	Bosnia and Herzegovina Mine Action Center
BRS	Budget of the Republic of Srpska
BSAP	Biodiversity Strategy and Action Plan
CAP	Common agricultural policy
CBD	Convencion on Biological Diversity
CCM	Corn Cob Mix
CDM	Clean Development Mechanism
CEPF	Confederation of European Forest Owners
CFP	Common Fisheries Policy
CIF	Climate Investment Funds
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
CLRTAP	Convention on Long-Range Transboundary Air Pollution
CMO	Common Market Organisation
CNS	Close to Nature Silviculture
CO_2	Carbon dioxide
CORINE	Coordination of Information on the Enviroment
Cov 19	Coronavirus disease
CRD	Credits
CSNP	Center for Seed and Nursery Production
Cur	Curricula
DON	Donations
EAA	Economic accounts for agriculture
EBRD	European Bank for Reconstruction and Development
EC	European Commission
EEA	European Environment Agency
EEC	European Economic Community
EFI	European Forest Institute
EFIS	Europaen Forest Information System
EIA	Environmental Impact Assessment
EIB	European Investment Bank
EMEP	European monitoring and evaluation programme
EMERALD	Emerald Network of Areas of Special Conservation Interest
EPI	European Innovation Partnerships
ERASMUS+	EU's programme to support education, training, youth and sport in Europe
EU	European Union
EUNIS	European Nature Information System
EUROSTAT	European Statistical System
EUTR	Timber Regulation EU
FAO	Food and Agricultural Organization
FG	Forest Governance
FISE	Forest Information System for Europe
FLEGT	Forest Law Enforcement, Governance and Trade
FNC	Fourth National Communication
FPRFS	Forest Protection Reporting and Forecasting Service
FRA	Forest Resources Assessment
FRM	Forest reproductive material
FSC	Forest Stewardship Council
FWA	Forest Wood Assortiments
GCF	Green Climate Found
GCL	Green Credit Lines
GDI	Gender Development Indeks
GEF	Global Environment Facility
GGF	Green for Growth Fund
GIS	Geographic information system

GPS	Global Positioning System
HARS	Hunting Association of the Republic of Srpska
HCVF	High Conservation Value Forests
HICP	Harmonised Index of Consumer Prices
IAF	International Arrangement on Forests
ICPF	International Cooperative Programme on Assessment and Monitoring of Air Pollution Effects on Forests
ICT	Information and Communication Technologies
IDA	International Development Association
IDB	Investment and Development Bank
IEA	International Energy Agency
ILO	International Labour Organization
IMF	International Monetary Fund
INSPIRE	Innovation in Science Pursuit for Inspired Research
IP	Industrial plantations
IPA	Instrument of pre-accession assistance
IPCC	Intergovernmental Panel on Climate Change
IPPC	Integrated Pollution Prevention and Control
IS	Information system
ISCED	International standard classification of education
ISO	International Organization for Standardization
IT	Information Technology
IUCN	International Union for Conservation of Nature
JRC EU	Joint Research Centre
KMC	Karst Management Center
LFS	Labour Force Survey
LULUCF	Land-use, Land change and Forestry
MAFWM	Ministry of Agriculture, Forestry and Water Management
MCPFE	Ministerial Conference on the Protection of Forests in Europe
MDG	Millennium Development Goals
MEC	Ministry of Education and Culture
MEM	Ministry of Energy and Mining
MF	Ministry of Finance
MJ	Ministry of Justice
MSPCE	Ministry of Spatial Planning, Construction and Ecology
MSTDHE	Ministry of Scientific and Technological Development and Higher Education
MTT	Ministry of Trade and Tourism
NATURA 2000	A network of marine and terrestrial areas of international importance, set aside for conservation
NbS	Nature based Solutions
NBSAP	National Biodiversity Strategies and Action Plans
NEAP	National Environmental Action Plan
NGO	NonGoverment Organization
NP	National park
NREAP	National Renewable Energy Action Plan
NUTS	Nomenclature des Unites Territoriales Statistiques
NWA	Non-Timber Forest Products
OECD	The Organisation for Economic Co-operation and Development
OS	Other sources of funding
PaF	Pre-accession funds
PEFC	Programme for Endorsemert of Forest Certification
PFE	Public Forest Enterprise "Forests of the Republic of Srpska" a.d. Sokolac
PFO	Private Forestry Owners
PHARE	Assistance for Restructuring their Economies rare and endangered natural habitats and plant and animal species, protected The directives EU
RDPC	R&D and Project Center
RIPCHNHRS	Republic Institute for the Protection of Cultural, Historical and Natural Heritage of the Republic of Srpska
BSRS	Bureau of Statistics of the Republic of Srpska
SCCF	Special Climate Change Fund
SDG	Sustainable Development Goals
SDGF	Sustainable Development Goals Fund
SG	Strategic goal

SP	Spatial plan
SPVF	Special Purpose Vehicles for Forests
SRO	Scientific Research Organizations
SWOT	Strengths, Weaknesses, Opportunities and Threats
SAA	Stabilization and Association Agreement
TBFRA	Temperate and Boreal Forests Resource Assessment
TEV	Total Economic Value
TVET	Technical and Vocational Education and Training
UN	United Nations
UNCCD	United Nations Convention to Combat Desertification
UNCSD	United Nations Commission on Sustainable
UNDP	United Nations Development Programme
UNECE	United Nations Economic Commission for Europe
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFCCC	United Nations Framework Convention on Climate Change
UNFCCC	United Nations Framework Convention on Climate Change
UNFF	United Nations Forum on Forests
UNFI	United Nations Forest Instrument
UNSD	United Nations Statistics Division
UNSDGs	United Nations Sustainable Development Goals (Циљеви УН-а за одрживи развој)
UNSPF	United Nations Strategic Plan for Forests 2030
USAID	US Agency for International
WB EDIF	Western Balkan Enterprise Developmnet and Innovation Facility
WB	World Bank
WISDOM	Woodfuels Integrated Supply / Demand Overview Mapping
WTTC	World Travel & Tourism Council

1. INTRODUCTION

Numerous and very different functions of forests have a permanent and current significance for human society, and also the human needs for the richness and functions of forests, which are almost unlimited, impose the need for their rational and permanent multifunctional use. The need for sustainable and integral development of all forest functions is closely related to the impact of forests on the environmental, social and raw material and energy development of the Republic. Because of this, and the specifics of the management and management of this natural resource, a document is needed that represents the basic medium-term orientation of sustainable forestry development. The purpose and importance of the development of the Forestry Development Strategy of the Republic of Srpska is to provide the basis for the establishment of a unique and functional system of management and sustainable development of forestry and its integration into the system of strategies for sustainable development of the Republic of Srpska. The general purpose is the sustainable use of forests and forestry for the benefit of the entire community and for future generations. The Strategy is aligned with the relevant laws and procedures on the development of strategic documents in the Republic of Srpska. The Constitution of the Republic of Srpska emphasizes the right of man to a healthy environment and care for the rational use of natural resources within which forests are of particular importance. The content and preparation process of the Strategy are defined by the Law on Strategic Planning and Development Management in the Republic of Srpska (Official Gazette of the Republic of Srpska, No. 63/21) and the Regulation on Strategic Documents in the Republic of Srpska (Official Gazette of the Republic of Srpska, No. 94/21). The fundamental principles that influenced the content of the Strategy include: the principle of horizontal and vertical alignment and coordination; the principles of accountability, effectiveness, and efficiency; the principles of public participation, transparency, and partnership; the principle of social inclusion, gender equality, and equal opportunities for all citizens of the Republic of Srpska; and the principle of sustainable development. Following the expiration of the Forestry Development Strategy of the Republic of Srpska for the period 2011–2021, the Ministry of Agriculture, Forestry, and Water Management of the Republic of Srpska, in accordance with its legal obligations, initiated the development of a new Strategy and appointed a working team, a reviewer, and a Strategy Development Council as an advisory body responsible for monitoring the Strategy development process and evaluating the reports prepared during its drafting. During the preparation of the Strategy, with the aim of defining strategic objectives and measures, various methodologies were applied, including classification, induction, deduction, analysis and synthesis, SWOT analysis, surveys, and interviews. For the effective and efficient implementation of project activities, the principles defined by the Regulation on Strategic Documents were applied. Alignment with other strategic documents and assumed international obligations is characterized by major and systemic changes at the global, regional, national, and local levels. The most significant among these include: stabilization and efforts toward accession of the Republic of Srpska/Bosnia and Herzegovina to the European Union; the adoption of the new EU Forest Strategy for 2030; the adoption of the 2030 Agenda; the global importance of the public-benefit functions of forests; the need to mitigate climate change; the application of FSC standards for sustainable forest management and forest certification, as well as ISO and PEFC standards; significantly increased needs for modern education, scientific research, and innovation; and increased demand for wood raw materials, among others. The Strategy is based on domestic legislation and strategic and planning documents, including: the Spatial Plan of the Republic of Srpska (2013, 2015); the Law on Forests (Official Gazette of the Republic of Srpska, Nos. 75/08, 60/13, and 70/20); the Law on Hunting (Official Gazette of the Republic of Srpska, No. 63/24); the Law on Nature Protection (Official Gazette of the Republic of Srpska, No. 49/24); the Biodiversity Strategy and Action Plan of Bosnia and Herzegovina (2015–2020); the Environmental Protection Strategy of the Republic of Srpska for the period 2022–2032; the Nature Protection Strategy of the Republic of Srpska (2011); the Agriculture and Rural Development Strategy of the Republic of Srpska for the period 2021–2027 (2022); the Industrial Development Strategy of the Republic of Srpska (2021–2027); the Scientific and Technological Development Strategy of the Republic of Srpska 2017–2021 – “Knowledge for Development”; the Tourism Development Strategy of the Republic of Srpska 2011–2020; the Economic Development Strategy of the Republic of Srpska; and other relevant documents. Furthermore, the principles, recommendations, and obligations arising from adopted international conventions, strategies, initiatives, and action plans, as well as from ratified and signed international agreements and declarations, have been duly taken into account. In accordance with the Regulation on Strategic Documents, the Forestry Development Strategy of the Republic of Srpska for the period 2026–2035, in addition to the aforementioned documents, agreements, and directives, specifically requires alignment with the Spatial Plan of the Republic of Srpska up to 2025.

The drafting of the Strategy was primarily based on data from forest management plans and forestry statistics of the Republic of Srpska.

2. **STRATEGIC PLATFORM**

2.1. Situational analysis

2.1.1. **A review of the implementation of the forestry development strategy of the Republic of Srpska (2011–2021)**

The Forestry Development Strategy of the Republika Srpska (2011–2021) sets out 12 strategic goals:

1. **Forest management** is based on the Law on Forests and its amendments (Official Gazette of the Republic of Srpska, Nos. 75/08, 60/13, and 70/20). Intersectoral cooperation, under the influence of the legislative and executive authorities, has been significantly improved through the adoption of legal regulations.
2. **The economic contribution of the forestry sector** to the social and rural development of the Republic of Srpska has increased, particularly when observed in relation to the key wood-processing sector.
3. **Ecosystem-based forest management, biodiversity conservation, and nature protection** are reflected in the implementation of the Programme for the Conservation and Protection of Forest Genetic Resources, the proposed Natura 2000 BiH network, and the "Red List" of protected flora and fauna species of the Republic of Srpska. A gene bank has been established, and the Programme for the Conservation of Forest Genetic Resources of the Republic of Srpska for the period 2013–2025 has been adopted.
4. **Multifunctional forest planning and management** are not sufficiently represented in the preparation of operational forest management plans. Increasing forest cover and forest accessibility has been defined as a strategic objective through the Forest Accessibility Master Plan (2020) and the Master Plan for Afforestation and Management of Forest Plantations (2021). A Forest Health Monitoring and Forecasting Service has been established, technical and technological typification has been completed, and a project introducing an information system has been implemented.
5. **Education and training of private forest owners**, unresolved property-rights issues, land usurpation, a large number of private forest owners, fragmented holdings, and the lack of certification represent key challenges in private forest ownership.
6. **The increase in the area of protected natural assets and forests of high conservation value** has been achieved through the designation of new High Conservation Value Forest areas and the establishment of the "Drina" National Park. The "Janj" primeval forest reserve was proclaimed a natural site of global importance by the United Nations Educational, Scientific and Cultural Organization (UNESCO) on 28 July 2021.
7. **Game management, wildlife protection, and the development of hunting and hunting tourism** have been achieved through the establishment of hunting grounds in the Republic of Srpska (Official Gazette of the Republic of Srpska, No. 89/15) and the signing of contracts with hunting ground users. Measures that have not been implemented include the development of the Strategy for the Sustainable Development of Hunting in the Republic of Srpska, demining and the creation of a cadastre of the value of hunting grounds.
8. **Support for the development of the wood-processing industry, value chain, and wood product markets** has been ensured through the adoption of the Decision on Criteria, Conditions, and Methods for the Allocation of Forest Timber Assortments and the Decision on Defining Parameters for the Identification of Strategic Enterprises in the wood-processing industry.
9. **Other sector-related activities within forestry** have been developed through the establishment of a sector for the utilization of non-wood forest products. Unstocked forest land has not been sufficiently used for the cultivation of commercially attractive plant and animal species.
10. **Education and training of personnel** for sustainable sector management and forest management, as well as the development of scientific research, are carried out at faculties and secondary forestry schools. Education is predominantly biotechnical in nature. While the number of faculties has increased, the number of students has declined.
11. **Public relations development and promotion of forestry and forest products** at the level of the Public Forestry Enterprise is satisfactory; however, awareness-raising and promotion among other stakeholders and institutions related to forestry remain insufficient.
12. **Ensuring financial resources for the implementation of the Strategy,** as defined by the Law on Forests of the Republika Srpska, have not been fully utilized for the development of the sector and the achievement of strategic goals.

The Action Plan for the implementation of the Forestry Development Strategy of the Republic of Srpska for the period 2011–2021 was not developed, which represented a shortcoming affecting both the dynamics and the quality of its implementation.

2.1.2. **State of Forests**

2.1.2.1. **Forest area and Forest land**

Table 1. Forest Area and Forest Land in the Republic of Srpska

Category of Forests	Composition	Ownership of the Republic of Srpska		Private forests		Total	
		ha	%	ha	%	ha	%
High Forests with Natural Regeneration (HFNR)	Beech	174,000	17.7	40,269	13.1	214,269	16.0
	Beech, fir and spruce	229,075	23.3	19,873	6.5	248,948	18.5
	Pines	28,450	2.9	4,126	1.3	32,576	2.4
	Oaks	36,112	3.7	23,236	7.6	59,348	4.4
	Other	1,527	0.2	16,793	5.5	18,320	1.4
	Total	469,164	47.8	104,297	34.0	573,461	42.7
Degraded High Forests (DHF)	Beech	9,119	0.9	416	0.1	9,535	0.7
	Oaks	5,410	0.6	250	0.1	5,660	0.4
	Total	14,529	1.5	666	0.2	15,195	1.1
Forest Plantations (FP)	Spruce and fir	18,544	1.9	344	0.1	18,888	1.4
	Pines	25,958	2.6	744	0.2	26,702	2.0
	Other conifers	2,971	0.3	24	0.0	2,995	0.2
	Sessile oak	250	0.0	5	0.0	255	0.0
	Other broadleaves	965	0.1	66	0.0	1031	0.1
	Total	48,688	5.0	1,183	0.4	49,871	3.7
Total High Forests		532,381	54.2	106,146	34.6	638,527	47.5
Coppice Forests (CF)	Beech	84,442	8.6	41,810	13.6	126,252	9.4
	Oaks	73,884	7.5	50,185	16.3	124,069	9.2
	Mixed	54,884	5.6	62,939	20.5	117,823	8.8
	Other	13,127	1.3	39,854	13.0	52,981	3.9
Total coppice Forests		226,337	23.0	194,788	63.4	421,125	31.4
Suitable for Forest Management	Shrublands	95,004	9.7	1,394	0.5	96,398	7.2
	Bare land	59,843	6.1	3,034	1.0	62,877	4.7
	Total	154,847	15.8	4,428	1.4	159,275	11.9
Unsuitable for Forest Management	Forests	27,192	2.8	257	0.1	27,449	2.0
	Karst and bare land	31,818	3.2	106	0.0	31,924	2.4
	Forest clearings	2,408	0.2	0	0.0	2,408	0.2
	Transport infrastructure	4,301	0.4	22	0.0	43,23	0.3
	Power line corridors	802	0.1	0	0.0	802	0.1
	Other	1,854	0.2	1,437	0.5	3,291	0.2
	Toatal	68,375	7.0	1,822	0.6	70,197	5.2
TOTAL – Forest Management Area		981,940	100.0	307,184	100.0	1,289,124	96.0
National Parks and Protected Areas		27,972				27,972	2.1
Industrial Plantations		7,452				7,452	0.6
Encroachments		18,669				18,669	1.4
TOTAL FOREST FUND		1,036,033		307,184		1,343,217	100.0

2.1.2.2. **Volume and Increment**

In the Republic of Srpska, the total volume of forests is 254,788,471 m^3 (coniferous 35% and deciduous 65%). In tall forests with natural regeneration, the total volume is 186,618,610 m^3 or 73.2% of the total wood volume (Fig. 1). The annual increase in volume in the forests of the Republic of Srpska is 6,551,308 m^3 (conifers 2,350,873 m^3 or 36%, and hardwoods 4,200,435 m^3 or 64%). The annual increase in tall forests with natural renewal is 4,281,355 m^3 (65%), and in coppice forests 1,756,710 m^3 (27%).

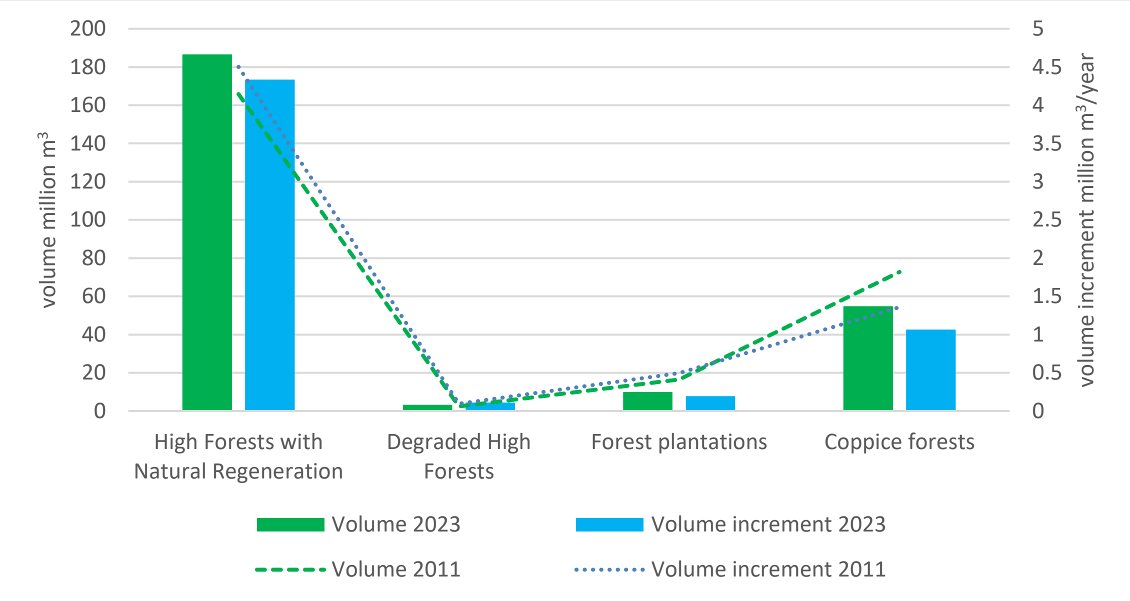


Figure 1. Volume and volume increment by forest category in the Republic of Srpska

2.1.2.3. **Cutting (felling) volume**

The total planned felling volume (status) according to the valid Forest Management Plan (FMP) in the forests of the Republic of Srpska for the year 2024 is 4,297,441 m^3 (forests owned by the Republic 3.400.361 m^3 or 79% and private forests 897,080 m^3 or 21%). The planned volume of conifers is 1,602,268 m^3 (37%), and hardwoods 2,695,173 m^3 (63%).

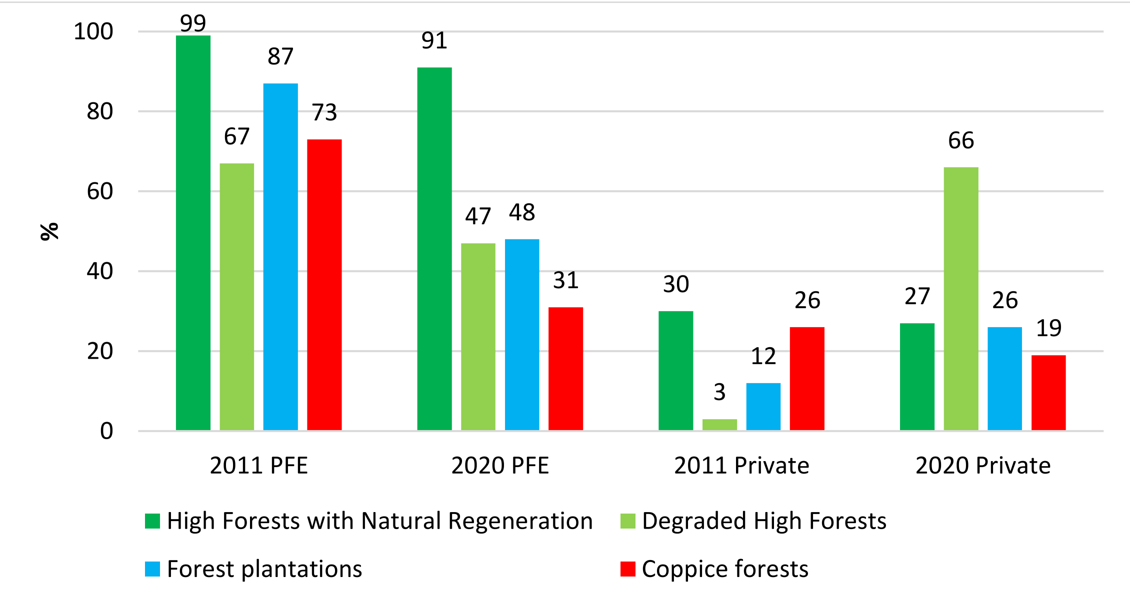


Figure 2. Ratio of realized and planned volume of felling by forest categories and owned in the Republic of Srpska

2.1.2.4. **Forest planning**

Forest planning is based on the preparation of periodic and annual forest management plans. Three types of planning documents are prepared: a document serving as the basis for defining forestry policy in the Republic of Srpska (large-scale forest inventory), documents for forest management areas (preparation of forest management plans), and operational forest management projects (for compartments and subcompartments), which have the character of annual management plans. The National Forest Inventory (NFI) was conducted in the period 2006–2009, but its results were not published due to numerous shortcomings in implementation. Forest management plans are prepared in accordance with the valid Methodology for forests owned by the Republic and a Methodology ("representative method") that has not been officially adopted for privately owned forests. The preparation of forest management plans is based on the Methodology for the Preparation of Forest Management Plans for Socially Owned Forests in the Territory of SR Bosnia and Herzegovina from 1977. In the Republic of Srpska, more than 95% of the forest area is covered by appropriate forest management plans. Forest management planning is predominantly based on the need to establish an optimal production base (growing stock volume) in order to ensure the principle of sustainability (continuity). The primary objective of forest management is generally focused on meeting the needs of wood-processing capacities for raw material. In the management objectives by management classes, the principle of multifunctionality is not sufficiently emphasized. For future operational forest management plans, greater integrality, integration, and participation are required.

2.1.2.5. **Forest management**

Certification of forest management and management according to international standards (*Forest Stewardship Council*, FSC) has been done for all forests owned by the Republic of Srpska, and private forests are not certified. Despite the possibility and need to apply different management systems, a group management system is planned for all categories, i.e. farm classes of high forests. The deterioration of the quality of stands is a consequence of the non-implementation of care measures within the prescribed management systems. The condition of beech forests in the Republic of Srpska is unfavorable according to the forms of cultivation because there is a large share of offshoot (126,252 ha) and high degraded forests (9,500 ha). Tall sessile oak forests are exposed to the drying process, and the incomplete composition and increasingly rare harvest years have bad consequences for natural regeneration. In high beech and sessile oak forests, stem and sessile felling is applied, which They do not correspond to the bioecological characteristics of these species. Mixed forests of beech, fir and spruce are the most economically and ecologically important forests. They are characterized by a heterogeneous structure whose potential in terms of production is insufficiently used, and the size of the volume for most types of these forests should be larger. Black and white pine forests with natural regeneration consist mostly of two-storey and grouped stands of different ages that were created by the application of picking (practically screening). The intensity of management of pine forests is very low, especially in black pine forests, due to reduced demand for its assortments. The selection of species for the establishment of forest crops was not harmonized with the habitat conditions, which was later reflected in the stability and productivity of forest crops. The quality of volume in forest crops is relatively bad, because over 50% of the trees belong to the third cultivation-technical class. In coppice forests, direct and indirect conversion measures are mainly applied with the aim of translating into a high silvicultural form. It is characteristic that for the categories of forest crops and shoot forests, the planned silvicultural works are not fully realized .

2.1.2.6. **Seed production, nursery and afforestation**

In the category of barren and shrubs, i.e. land suitable for afforestation, there are 163,346 ha or about 13% of the forest fund of the Republic of Srpska, and about 30% of the forest area is in various forms and degrees of degradation, which creates space for these forests to be translated into a higher silvicultural form by conversion methods by artificial regeneration. Recognizing the long-standing problems, during 2020, the "Master Plan for Afforestation of Forest Areas and Management of Forest Crops of the Republic of Srpska" was drafted. The production and trade of forest seeds in Europe are based on the level of provenance, with the main conclusion being that preference should be given to local populations. The essential legal basis for regulating the production and trade of forest reproductive material within the European Union is provided by the Council of Europe Directive 1999/105/EC. The Law on Reproductive Material of Forest Trees ("Official Gazette of the Republic of Srpska", No. 70/09) defines seed categories and procedures for the control of the origin and transfer of reproductive forest material in international trade among the members of the Organization for Economic Co-operation and Development (OECD). In practice, the Republic of Srpska (BiH) has not adopted a scheme of provenance or seed zones. The production of seeds and planting material in the Republic of Srpska is primarily realized in accordance with the Law on Reproductive Material of Forest Trees ("Official Gazette of the Republic of Srpska", No. 70/09), as well as the Law on Forests ("Official Gazette of the Republic of Srpska", No. 75/08, 60/13 and 70/20). At the beginning of 2020, a total of 113 seed objects were registered in the Republic of Srpska, or almost twice as many as in 2005. There are 102 seed facilities registered in the forests managed by the PFE "Forests of the Republic of Srpska", six in national parks (three in the Sutjeska National Park, two in the Kozara National Park and two in the Drina National Park) and five seed facilities in industrial plantations. Among the registered seed objects most of the seed stands (48), followed by individual trees (42), groups of trees (18) and seed crops (five). There are no registered seed facilities in private ownership. The total area of registered seed facilities is almost 280 ha less than in 2005th and amounts to 691.84 ha. During 2002, the number of nurseries was reduced from nine to four. After the establishment of Center for Seedling and Nursery production (CSNP) in 2003 with its headquarters in Doboj, decision-making on types and volume of production was centralized and entrusted to this Center. In the period 2008–2010, over 12 million seedlings were produced per year, then in 2011–2015 less than 10 million, and in the last three years about 12 million seedlings per year were produced. During the last ten years in the production of planting material There is a significant increase in the share of conifers (89.1%) compared to deciduous trees (10.9%). At the species level, in the last decade, there is a full dominance of spruce (49.6%), and among deciduous trees, sessile sessile dominates with 3.2%, followed by mountain maple with 3.5%, white ash and acacia with 1.3% each. In all species, the full dominance of planting material of the "classic seedling" type is observed. The share of privately owned afforestation in the last ten years is on average about 5% of the total afforested area in Republika Srpska. On the territory of the Republic of Srpska, 163,346 ha of areas suitable for afforestation have been registered, of which over 73,219 ha are karst. The area on which afforestation and artificial renewal can be carried out in the Republic of Srpska is over 400,000 ha. In the last decade, there is a significant decrease in the area that is afforested on only 600–700 ha per year. In the coming period, afforestation in the forests of the Republic of Srpska could be planned on an area of 2,000 ha/year, the required amount of planting material per year is 7,290,977 seedlings in the Republic of Srpska. In the Republic of Srpska, with the aim of improving the management of the forest fund in the karst area, the Program of afforestation and management of the karst area (2004–2013) was developed, and later the Program of management of the karst area (2014–2023). In order to improve the production of planting material, a nursery was established in Trebinje in 2014 within the Center for Karst Management (CKM), and a little later a greenhouse and containers for the production of seedlings with a coated root system were purchased. The Republic of Srpska is almost non-existent, but in the last decade there have been experiments with poplar clones.

2.1.2.7. **Forest protection**

The protection of forests and forest land is carried out in accordance with the situation on the ground, laws and bylaws, and according to the Program of Measures and Activities for the Protection of Forests, the Plan for the Protection of Forests and Facilities from Fire and the Operational Plans for Fire Protection. Monitoring of health status and the occurrence of gradation is carried out by setting up pheromone traps (4,200 traps on average per year at the level of PES) with preparations for the most important species of pomegranates and woodcutters. Implementation of monitoring of the condition of trees at bioindication points in Since 2014, according to the harmonized methods of the International Co-operative Programme on Assessment and Monitoring of Air Pollution Effects on Forests (ICPF), has been carried out in the Republic of Srpska. The basic network of 16 x 16 km, Level I consists of 41 bioindication points. In the period from 2018 to 2021, the diagnosis of harmful organisms was also carried out by remote detection of forest cover Sentinel 2 and Landsat 8 satellite imagery. A special problem is the process of forest drying, which is caused by the synergistic effect of climate change and other threatening factors. Deciduous forests have suffered from the gradation of defoliators (2012–2014 Gypsy; 2012–2016 Yellow-bellied forest), the effects of late frost and wind, and the occurrence of invasive species (in 2015 the chestnut wasp and since 2017 the oak reticulated bug). In coniferous forests, the greatest damage was caused by bark beetle gradation (2016), extreme action of abiotic factors (2014, 2016 and 2020) and fires caused mainly by humans (over 95% of cases). Due to the action of harmful agents in forests which are owned by the Republic, in the period from 2012 to 2021, 2,544,419 m^3 were felled.

The largest cause of damage were abiotic factors (stormy winds and snow) with a share of 42.6% of the felled wood volume, damage from insects and plant diseases with 33.2%, negative impact of the human factor with 14% and destructive effects of fire with 10.2% (Fig. 3).

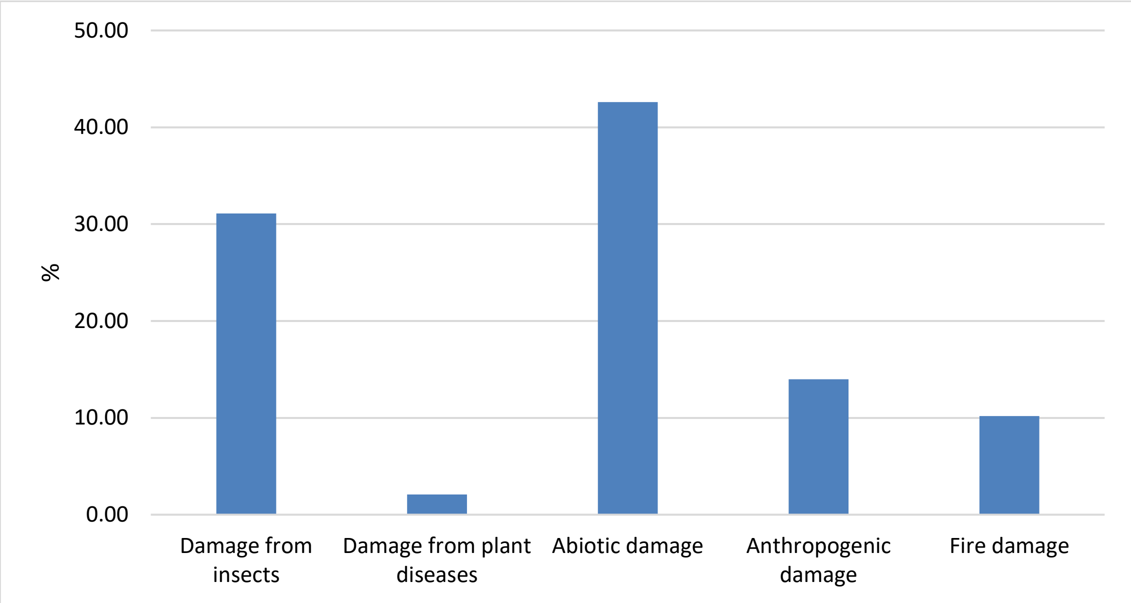


Figure 3. Share of wood volume (%) by damage factors in total damaged volume (2012-2021)

The average amount of felled wood mass for a ten-year period is about 108,400 m^3/year. Conifers (84%) are more endangered compared to deciduous trees (16%). Damage caused by snow in the period 2012–2021 amounted to about 40,100 m^3/year on average. (conifers 83%, deciduous trees 17%), and from the wind 68,300 m^3/year (conifers 85%, deciduous trees 15%).

High values of wind damage were recorded in 2016 and 2020, with an average amount of damaged wood volume of about 163,000 m^3, and the largest damage with a wood volume of about 207,000 m^3 occurred in 2020, of which the share of conifers was 92%. The highest values of snow damage occurred in the period 2013–2015, with an average value of 75,000 m^3/year. The average annual value of insect damage in the period 2012–2021 is about 79,000 m^3/year (conifers 93% and deciduous trees 7%), of which bark beetle damage accounts for 96% or 76,100 m^3 (conifers 97% and deciduous trees 3%).

Gradation of the gooseberry beetle in the period 2012–2014 covered an area of 80,629 ha (60,676 ha of forests owned by the Republic of Srpska and 19,952 ha of private forests). Pest control was carried out by mechanical collection of egg litters, as well as aerial spraying with biological insecticide FORAY 48-B on the area of 16,000 ha. In March 2014, an attack of gooseberries was recorded on the area of 75,549 ha, of which 28,159 ha or 37.3% of the infested area were under strong and very strong attack. The gradation of yellow-bellied in the period from 2012 to 2016 in the area of Mount Ozren and in the eastern part of the Republic of Srpska affected an area of 10,062 ha, causing bare broth. Defoliation of yellow oak, powdery mildew, and the presence of oak scab has intensified the drying of sessile oak on an area of over 1,000 ha, causing almost complete disappearance of oak in the endangered area. Invasive species of insects in forest eco-systems cause ecological, health and economic damage. The first official finding of the presence of an invasive species of chestnut wasp (*Dryocosmus kuriphilus Yasumatsu*) (Hymenoptera: Cynipidae) was found in 2015 in the area of Kostajnica, and its attack is classified in the category of medium. An invasive species, the oak reticulated bug (*Corythucha arcuata* Say, 1832) was first recorded in 2017 in the area of Bijeljina, and is present in 49 other municipalities in the Republic of Srpska. It is a dangerous pest of oak forests for which there are still no effective combat measures. Of the total area of sessile oak forests, in the area where it was registered, 157,657 ha or as much as 89.32% were infected. Damage from plant diseases, expressed according to the felled volume of wood, in the period 2012–2021, averages about 5,300 m^3/year. They have the highest value in 2013 (about 20,000 m^3). By age, damage from plant diseases ranges from 306 m^3 to 20,171 m^3 of felled wood volume (conifers 78% and deciduous trees 22%). In that period, an invasive species of pathogen *Hymenoscyphus fraxineus,* or its imperfect form *Chalara fraxinea,* which is the cause of a very intense ash disease, was recorded and recorded. It was first identified in B&H in 2009. Of the total recorded damages caused by human activity, expressed in the felled wood volume for the period 2012–2021, which refer to forests owned by the Republic of Srpska, illegal logging accounts for 98%, and other human damage with 2%. The average value of damages due to illegal logging for the period amounted to about 33,300 m^3 (deciduous trees 72%, conifers 28%). Deciduous trees were also more endangered (55%) than conifers (45%). Forest fires mainly occur as a result of destructive anthropogenic action in over 95% of cases. The total burned area for the period 2012–2021 is 82,945 ha (forests owned by the Republic of Srpska 62%, private forests 24%), with damages expressed in wood volume on average about 42,000 m^3/year (forests owned by the Republic of Srpska 62%, private forests 38%). High fires, in the total burned area, account for 1%, mostly in forests owned by the Republic of Srpska. The most vulnerable to fires are forests in eastern Herzegovina, where in 2017 alone, for the area managed by CKM, the burned area amounted to 12,431 ha. Based on the monitoring of the condition of crowns at bioindication points (ICPF) in the period from 2014 to 2021, defoliation ranged from 17.8% to 32.1%.

2.1.2.8. **The use of forests**

Use of wood: About 2 million cubic meters of wood assortments are produced from the realized land from forests owned by the Republic of Srpska, which in the period 2011–2021 amounted to about 3.2 million m^3. In the assortments, the share of the highest quality logs (veneer and peeling logs) is on average extremely small (1%), sawmill logs 51%, cellulose 17%, and firewood 29% and other assortments 3%. The execution of the felling plan in private forests is increasing, especially in the period 2015–2021, and amounts to 40% to 50% of the planned stock. In the period from 2017 to 2021, 119 companies were registered for the execution of works in forestry.

Forest openness: The openness of forests and forest land in forests owned by the Republic of Srpska averages 9.28 m/ha, which is below the average of the European Union (EU). Forest use is focused on tall forests with natural regeneration, higher openness is expected, which ranges from 6.52 m/ha to 15.9 m/ha or an average of 11.13 m/ha. In degraded forests, the openness is on average 7.46 m/ha, in forest crops 11.57 m/ha, in coppice forests 5.86 m/ha, while in areas suitable for afforestation it is 8.05 m/ha and in forests unsuitable for management an average of 4.38 m/ha. The key reason for the insufficient construction of road infrastructure is the lack of financial resources. The average pulling distances depending on the category of forests range from 455 to 850 meters (Tab. 2).

Table 2. Mean transport distance of pulling FWA including mined areas

Forest categories	Transport distance (m)
High Forests with Natural Regeneration	519
Degraded High forest	850
Forest plantations	455
Coppice forests	715

Tree felling and production of forest wood assortments (FWA): In the felling and production of FWA, the assortment method is the most common, and the harvesting of wood assortments is carried out with the help of articulated forest tractors (180 pcs.). In this way, 1.4 million m^3 (62%) of FWA from all categories of forests are produced annually, while the use of chainsaws (about 1,000 pcs.) and adapted agricultural tractors (60 pcs.) produces about 300,000 m^3 (12.6%) of FWA. The production of FWA with chainsaws and attraction with mobile forest cableways (29 pcs.) participates with about 11%. With the use of modern harvesters (7 pcs.) and forwarders (5 pcs.), only 2.7% of FWA is produced, and in the work so far this method has been mostly used in coniferous plantations managed by the schareholding company Industrial Plantations Banja Luka. The amount of wood bio-mass that can be used for energy production (spatial wood 51% and wood residue 49%) from the forests of the Republic of Srpska for the period 2011–2020 is on average 1.7 million m^3/year. The largest amount is found in high forests with natural regeneration (80%), followed by coppice forests (14%), forest crops (5%), and the smallest in high degraded forests (1%).

2.1.3. **Forests and climate change**

The climate of the Republic of Srpska is contained in the variation of climatic characteristics from pronounced maritime to continental influences. The increase in air temperature on an annual basis ranges from 0.4°C to 1°C, while the increase in temperature during the vegetation period is up to 1.2°C. Due to the increased intensity of precipitation and the share of heavy rainfall in the total amount of rainfall, the risk of flooding is increased, especially in the northeastern part of the country. Within the current trend of climate change, a decrease in growth of 17% is expected for "Mediterranean species" and an increase of as much as 42% for "mountain species", with significantly more pronounced changes in colder than warmer areas. Increased heavy rainfall causes more erosion and flooding, and areas with less rainfall are expected to be at greater risk of drought and fires. A significant drop in groundwater levels in the northern part of the Republic will affect the spatial distribution of lowland forests. As a consequence of climate change, migrations of woody species are expected by moving towards the north and south poles and to higher altitudes, and some of the more sensitive species may disappear. Due to much longer and more intense dry periods, fire hazard indices are elevated and high. High-risk areas of eastern Herzegovina are also mined areas of forests and forest land if they are exposed to long-term droughts during the summer period. The greatest consequences of fires are expressed in mountainous areas at higher altitudes and in the Mediterranean and sub-Mediterranean areas. Insect populations often indicate a change in climatic conditions and are one of the first indicators indicating that stability is disturbed in the forest ecosystem.

2.1.4. **Biodiversity and protected areas**

According to the Habitats Directive (92/43/EEC of 21 May 1992), the Republic of Srpska is situated within three biogeographical regions: the continental region (northern part), the alpine region (central, Dinaric part), and the Mediterranean region (southern part). Phytocoenoses at the level of Bosnia and Herzegovina are classified into 66 classes; however, it is not clear how many of them are present in the Republic of Srpska. The autochthonous vascular flora of the Republic of Srpska comprises around 3,700 species and subspecies. The number of moss species is estimated at 565, algae at around 2,000 species, while fungal diversity is potentially very high. Zoological diversity is estimated at: 119 species of fish, 20 species of amphibians, 38 species of reptiles, 326 species of birds, and 85 species of mammals, while various groups of invertebrates are exceptionally diverse (BiH Report to the UN Convention on Biological Diversity, 2010). In the territory of the Republic of Srpska, primary gene centers have been identified for a number of endemic and relict species included in the Programme for the Conservation of Forest Genetic Resources of the Republic of Srpska 2013–2025. Under the Regulation on Strictly Protected and Protected Wild Species, a total of 292 (597) species of vascular plants, 7 (11) species of fungi, 1 leech, 4 species of snails, 4 species of crustaceans, 13 (6) species of insects, 31 (20) species of fish, 9 (4) species of amphibians, 10 (9) species of reptiles, 314 (28) species of birds, and 42 (24) species of mammals are designated as strictly protected and protected. In the Republic of Srpska, 36 protected areas have been designated, covering an area of 74,168 ha, or 3.01% of the total territory of the Republic of Srpska (Republic Institute for the Protection of Cultural, Historical and Natural Heritage of the Republic of Srpska, 2025). These include two strict nature reserves (the primeval forests Janj and Lom) with a total area of 592.82 ha; three national parks (Kozara, Sutjeska, and Drina) covering a total of 26,276.20 ha; seventeen natural monuments with a total area of 1,159.76 ha; six nature parks covering 43,948.53 ha; two park forests; and one monument of park architecture (University City), with a total area of 66.07 ha. The Perućica primeval forest is included on the Tentative List of World Natural Heritage of the United Nations Educational, Scientific and Cultural Organization (UNESCO). At the 44th session of the UNESCO World Heritage Committee, held from 16 to 31 July 2021, a decision was adopted to proclaim the Janj primeval forest a natural property of outstanding universal value.

2.1.5. **Eco-system services**

It is estimated that the forests of the Republic of Srpska contain a total carbon stock of approximately 54 million tonnes, with an average net annual sequestration of about 1.5 million tonnes of carbon (or 5.6 million tonnes of CO_2). The maximum carbon stock in dead wood (16% relative to the above and below-ground live tree biomass) amounts to approximately 3.6 t/ha. Within the territory of the Republic of Srpska, it is possible to distinguish 28 classes out of a total of 44 third-level classes of the land cover nomenclature recorded across Europe. Forests play a major role in the conservation of drinking water resources, as an average of about 1,250 l/m² of precipitation falls annually over the territory of the Republic of Srpska. Given the total area, this results in an overall volume of approximately 32,000 million m³ of precipitation water, half of which falls on forested land. Since the beginning of the forest management certification process in forests owned by the Republic of Srpska, 115,526.01 ha of High Conservation Value Forests (HCVF) have been proposed, representing 11.5% of the total forest area.

The proportional share of such areas across forest management regions ranges from 0.3% to 17% of the total area, while in karst regions it amounts to 41%. The largest area has been designated under the HCVF–4 category, which includes forest areas providing essential ecosystem services in critical situations, such as forests important for watercourses and erosion control (89.3%). Forest areas containing globally, regionally, or nationally significant concentrations of biodiversity (HCVF–1a, b, c, d) account for 7.3% of the total designated area, which is considered very modest. Forest areas important for the traditional cultural identity of local communities, designated under the HCVF–6 criteria, account for 1.4%, while forest areas fundamental for meeting the basic needs of local communities (HCVF–5) represent 1.3%. Forest areas containing globally, regionally, or nationally significant large-scale forest landscapes (HCVF–2) have been designated with a share of 0.6%. At present, the use of game resources has shifted into the sphere of organized hunting and hunting tourism. Hunting and hunting-tourism activities in the forests of the Republic of Srpska, at least potentially, represent a significant economic sector. Cultural ecosystem services primarily relate to areas of exceptional historical importance. Forests within the Donja Gradina historical complex (wider zone of 808 ha) and forests within the strictly protected zone (117 ha) play a key role in the preservation and prevention of degradation of the complex. A similar situation exists in the Kozara and Sutjeska national parks, where forests play an important role in conserving cultural and historical heritage within the historical cores of the parks (Mrakovica and Tjentište).

2.1.6. **Hunting**

The field of hunting is regulated by the Law on Hunting (“Official Gazette of the Republic of Srpska”, No. 63/24) and the accompanying bylaws. By the Decision on the Establishment of Hunting Grounds in the Republic of Srpska (“Official Gazette of the Republic of Srpska”, No. 89/15), the Government established 99 hunting grounds covering an area of 2,464,176 ha. The average area of a single hunting ground is approximately 24,891 ha. According to their designated purpose, 6 special hunting grounds (104,979 ha or 4.3%), 15 commercial hunting grounds (187,470 ha or 7.6%), and 78 sport-recreational hunting grounds (2,171,707 ha or 88.1%) have been established. Commercial hunting grounds have been allocated for temporary use to the Public Forestry Enterprise “Forests of the Republic of Srpska” a.d. Sokolac (forest management units). The largest number of hunting grounds (78 sport-recreational hunting grounds) has been allocated for use by hunting associations. Special hunting grounds have been allocated to forest management units (four hunting grounds) and national parks (two hunting grounds). Pursuant to the Decision on the Amount and Method of Payment of the Annual Fee for the Use of Game Resources (“Official Gazette of the Republic of Srpska”, No. 109/15), users of special hunting grounds pay a fee amounting to 5% of the value of the planned game harvest for the current hunting year, while users of sport-recreational hunting grounds, as well as temporary users of commercial hunting grounds, pay 10% of the value of the planned game harvest for the current hunting year. Additional funds for the development of hunting are allocated from the fee for the improvement of the general beneficial functions of forests, amounting to 2% of the total value of these funds, which is insufficient for the successful development of hunting. Game species whose reproduction ensures the replacement of harvested individuals in basic (managed) species may be harvested in accordance with the hunting plan, subject to compliance with closed seasons. The implementation of the planned harvest of basic game species in hunting grounds in the previous period was low, ranging from 0% for hazel grouse to 58.1% for chamois. Harvest realization was significantly higher in sport-recreational hunting grounds compared to special and commercial hunting grounds, while the lowest level of utilization was recorded in commercial hunting grounds. An important role in hunting is played by the Hunting Association of the Republic of Srpska, according to whose records the number of hunters has been continuously increasing and currently stands at nearly 21,800. Each year, the average number of new hunters who pass the hunting examination is approximately 757.

2.1.7. **Forestry and Tourism**

The number of tourist arrivals in mountain destinations accounts for approximately 15% of total tourist arrivals, while the number of overnight stays accounts for about 17% of total overnight stays. Positive trends in tourism development were halted by the pandemic caused by the spread of the COVID-19 virus. Agricultural and forest areas form integrated habitats for game species, and on average about 45% of the total area of hunting grounds is covered by forests. In the Republic of Srpska, there are 230 hunting lodges, the number of which showed a continuous increase in the period from 2010 to 2019. The backbone of hunting tourism development consists of hunting associations (60 associations) and hunters (approximately 21,800 hunters).

In addition to pronounced biodiversity and landscapes, the natural basis of ecotourism in the Republic of Srpska includes 73,038.43 ha of protected areas. Within the Public Forestry Enterprise “Forests of the Republic of Srpska,” a unit for providing tourism and hospitality services has been established, which includes the “Ognjišta” Hotel on Jahorina. Tourist and hospitality facilities are also operated within forest management units, including FMU “Vučevica” Čajniče, FMU “Maglić” Foča, and FMU “Oštrelj–Drinić” Drinić. At present, tourist visits generate relatively modest direct financial benefits for entities managing forests, primarily forest management units.

2.1.8. **Forestry, Rural Development, and Employment**

In 2020, a total of 706 workers employed in entrepreneurial companies were engaged in tree felling activities. The number of workers, mainly from rural areas, involved in felling, producing wood assortments (FWA), and wood processing has been steadily increasing, rising by 3,300 workers compared to 2011. In 2020, the forestry sector in the Republic of Srpska employed 5,004 workers, with the majority being secondary-education level workers (2,474 or 49%), followed by highly skilled workers (1,147 or 23%), skilled workers (921 or 18%), and other workers (462 or 10%). By the end of 2024, the Public Forestry Enterprise (PFE) employed 4,419 workers, while in 2025, 126 employees will be eligible for retirement, and 289 employees meet the years-of-service requirement but not the age requirement for retirement. In municipalities with higher forest coverage, which are predominantly rural, forestry employs between 30% and 60% of the total employed population. The sector faces increasing labor shortages, particularly in tree felling, export, and transport of wood assortments (FWA), due to emigration abroad and competition from construction and agriculture for the same workforce. In the Republic of Srpska, licenses for forestry workers are issued by institutes specializing in occupational safety, which is not an optimal solution. In the future, this issue should be addressed by establishing professional training centers for forestry workers.

2.1.9. **Revenue from Sale and Processing of Wood Assortments**

Annual revenue from the sale of wood assortments (FWA) from forests in the Republic of Srpska is approximately 240 million BAM (79% from public forests, 21% from private forests). The PFE earns most of its revenue from log sales (52%) and firewood (30%). The average value obtained from the sale of FWA is 105.2 BAM/m^3. Most revenue of the PFE comes from FWA sales (85%), followed by legally defined earmarked forest funds (8.8%) and services in private forests (1.2%). The wood-processing industry in the Republic of Srpska is primarily based on primary processing. Higher value-added and product quality could significantly increase product value, improve macroeconomic indicators, and generate higher total revenues.

In 2019, the wood-processing industry processed 573,000 m^3 of sawn timber (370,000 m^3 conifers, 203,000 m^3 deciduous), produced 8,153 windows and 42,174 doors, 926,000 m^2 of parquet, 137,000 tons of pellets and briquettes, 39,000 tons of paper and paper products, 4 tons of cardboard and cellulose products, and 8 tons of paper boxes and packaging. In terms of total manufacturing output value in the Republic of Srpska, the wood-processing and paper industries account for 15%, while the furniture industry accounts for 5.5%. In terms of total export value of manufactured goods, these sectors represent 24%. In 2019, various wood-processing and paper product sectors generated a total revenue of 775.21 million BAM (wood products 56%, paper and paper products 17%, furniture 27%). Profit margins in forestry are modest at 2.2%, largely because forest enterprises allocate 10% of revenue for expanded forest reproduction and 10% for developing underdeveloped municipalities where the timber was sourced, reducing final profits.

In 2020, the total number of active companies in the wood industry (including furniture manufacturing) was 554, of which 316 were engaged in sawn timber production, 10 in veneer and board production, 10 in parquet production, 63 in construction joinery and elements, 28 in wood packaging production, 51 in other wood products, and 76 in furniture production. Most wood-processing companies are located in forest-rich rural areas focusing on primary wood processing. In 316 sawn timber companies, 4,551 workers were employed in 2020, while 28 companies producing wood packaging employed 300 workers. In 2020, the wood industry contributed 5.8% to the GDP of the Republic of Srpska, 12.7% to the total added value generated by the industrial sector, and 4.4% of total employment.

2.1.10. **Education and Research in Forestry**

2.1.10.1. **Education for the Needs of Forestry in the Republic of Srpska**

Education for the needs of forestry in the Republic of Srpska takes place at the secondary and higher education levels. Insufficient incentives for living and working in rural areas negatively affect the number of students interested in enrolling in secondary schools and universities in the field of forestry. At the secondary education level, there are no specialized schools for forestry; programs for forestry professions are implemented in secondary school centers that also educate personnel for other professions. In the school years 2015/2016 and 2020/2021, the number of students enrolled in secondary forestry schools ranged from 64 to 128 (with an average of 99), and on average 95 students graduated annually. In secondary schools during the 2020/2021 school year, 326 students were trained for the profession of forestry technician in 15 classes across five secondary school centers. The teaching process involved 11 teachers with the degree of Bachelor of Forestry Engineering. The number of enrolled students from 2011 to 2020 shows a declining trend (-5%), the technical equipment of schools is poor, and there is a lack of professional literature adapted to secondary education. In the Republic of Srpska, highly qualified personnel in the field of forestry are mainly educated at the Faculty of Forestry, University of Banja Luka (since 1992), and at the Faculty of Agriculture, University of East Sarajevo, in the Forestry study program (since 2011), as well as at other forestry faculties in the region. Teaching is carried out according to curricula and programs aligned with the Bologna Declaration, mostly according to the 4+1+3 system. At the Faculty of Forestry in Banja Luka, a licensed Wood Processing study program exists, into which only one generation of students enrolled in the 2017/2018 academic year. At the second and third cycles of studies, teaching is carried out in the "Forestry" study program with several different modules. The Faculty of Forestry in Banja Luka has six departments, employing 19 full-time teachers and one associate, while the Forestry study program at the Faculty of Agriculture, University of East Sarajevo, has one department and two teachers in the specialized scientific field of Forestry. The Faculty of Forestry in Banja Luka has a developed publishing activity (Journal of the Faculty of Forestry, Informative Bulletin, co-founder of the international scientific journal for forestry in Southeast Europe – *South-East European Forestry – SEEFOR*, monographs, and textbooks). At the Public Enterprise "Forests of the Republic of Srpska," a total of 2,274 forestry technicians, 706 graduate forestry engineers, 33 masters of forestry, 12 magisters, and 4 doctors of forestry sciences are employed. The declining trend in student enrollment, combined with the fact that forestry personnel are educated at only two faculties, significantly threatens the functioning of these faculties. Some of the key problems of higher education institutions include insufficient staffing and material-technical capacity to deliver high-quality educational processes and actively participate in solving the key challenges of the forestry sector. Additionally, there is often a delayed alignment of educational processes and study programs with labor market needs. At the Employment Bureau of the Republic of Srpska, 87 graduate forestry engineers and 546 forestry technicians are registered as unemployed. In the Republic of Srpska, licenses for forestry workers (lumberjacks, assistants, teamsters, operators of mechanized equipment, etc.) are issued by institutes specialized in occupational safety, but due to the specificity of forestry work, specialized institutions must conduct training and licensing for forestry purposes.

2.1.10.2. **Scientific and Research Work in Forestry**

The Faculty of Forestry in Banja Luka is part of a network of scientific-research centers and organizations. The Research, Development, and Project Center (IRPC) in Banja Luka is the oldest design institution in the Republic of Srpska, established in 1972. Its primary activities include the preparation of forest management plans for state and private forests, preparation of hunting plans, projects for civil engineering and building construction, preparation of investment-technical documentation, and other projects and programs. According to available data, between 2012 and 2021, 85 scientific research projects in the field of forestry were implemented, with a total value of approximately 1.90 million BAM. The main funders of these research projects are the Ministry of Agriculture, Forestry and Water Management of the Republic of Srpska (about 60% of funds), the Ministry of Science and Technology (now the Ministry for Scientific-Technological Development and Higher Education) of the Republic of Srpska (about 11% of funds), the Public Enterprise "Forests of the Republic of Srpska" (about 7% of funds), international donors (about 18% of funds), and other funders (about 4% of funds). Despite the fact that Bosnia and Herzegovina is one of the countries in the region with the lowest R&D expenditure (0.21% of GDP), significant international sources of financial and technical support for research in the sector are visible, as evidenced by the new European investment period 2021–2027: the EU Horizon research and innovation program funds amount to €95.6 billion, the Instrument for Pre-Accession Assistance (IPA) funds total €14.2 billion across three instruments, and EU programs supporting education, training, youth, and sport (ERASMUS+) amount to €26.2 billion. In forestry, sufficient investments have not been made in the better use of data and the development of infrastructure, technologies, and management models based on information systems. Therefore, the application of digital innovations in forestry, rural areas, and all value chains is very important and must be given significant attention in both research and education in the future. Additionally, partnerships for research and innovation in forestry are insufficiently developed, resulting in fragmented research efforts not only between institutions but also within them. Researchers in the forestry sector of the Republic of Srpska need to develop capacities for cooperation with the EU Joint Research Centre (JRC), whose establishment is defined by the EU's new Forest Strategy until 2030. A comparative initial advantage of forests in the Republic of Srpska is the presence of a significant area of primary forests, old-growth forests, and naturally regenerated forests. The preservation and protection of ancient and old-growth forests, in line with the EU's new Forest Strategy until 2030, represents one of the strategic priorities.

2.1.11. **Implementation of Legal Provisions Related to the Forestry Sector**

The legislation of the Republic of Srpska related to the forestry sector primarily includes: the Forest Law, the Law on Reproductive Material of Forest Trees, the Law on Spatial Planning and Construction, the Law on National Parks, the Law on Nature Protection, the Law on Environmental Protection, the Hunting Law, the Law on Plant Health Protection, the Law on Companies, the Law on Public Enterprises, the Law on Property Rights, and the Law on Surveying and Cadastre. The Forest Law was adopted in 2008 and envisaged a sector based on separate functions of management, utilization, and control. The Ministry of Agriculture, Forestry, and Water Management, as the forest administrator of state-owned forests in the Republic of Srpska, appointed the PFE "Forests of the Republic of Srpska". Practical needs and contemporary trends required additional amendments within the current legislative framework for forestry, and thus amendments to the Forest Law were adopted in 2020. During this period, all by-laws prescribed by the Forest Law were issued to further regulate specific provisions of the law. In the context of compliance with the Forest Law of the Republic of Srpska, illegal activities in forestry can be assessed as one of the key sector problems, causing significant damage to both the resource itself and the overall social system. Weak legal frameworks, the ongoing transitional period, and low living standards have also led to other forms of illegality, including corruption, which represents the greatest obstacle to the economic development of any sector and society as a whole. In recent years, a number of action plans have been adopted to combat illegal activities in forestry. Nevertheless, forestry remains one of the most vulnerable economic sectors in the context of illegal activities.

2.1.12. **Forestry, Land Use, Conservation, and Landscape Quality**

One of the main deficiencies in the planning system of the Republic of Srpska is the lack of a reliable information and documentation base, primarily regarding the current structure of land use. The abandonment of rural areas, which began with industrialization in the second half of the last century and was intensified by the war events in Bosnia and Herzegovina at the end of the last century, has led to the neglect of vast land complexes. Comparing official cadastre data regarding forest cover of private properties with remote sensing data from the Coordination of Information on the Environment (CORINE Land Cover) program in 2019 revealed approximately 250,000 ha of additional forested area on private land. This represents vegetation succession at various stages or the classification of former orchards as forests, which clearly requires a more active approach to future categorization and land use designation.

The historical land-use conflict related to deforestation for agricultural production has shifted due to depopulation trends. At present, the most significant conflicts arise between forestry and unplanned urbanization, concession-based activities in the mining sector, while the construction of small hydropower plants has emerged as a particular environmental concern.Land use optimization is one of the most important segments of the planning system in the country and depends on numerous natural, economic, and demographic factors. Different planning interests and mutually dependent objectives between agriculture, water management, industry, mining, tourism, transport, environmental protection, defense, and other sectors are closely interconnected regarding the use of land with forests and forested areas. These relationships are clearly highlighted in the Spatial Plan of the Republic of Srpska (2013–2025) through strategic priorities in the forestry sector: implementation of the Forestry Development Strategy, increasing forest cover, forest amelioration, protected areas, improvement of forest management, etc. Furthermore, the Spatial Plan defines areas closely related to forest ecosystems: development and protection of biodiversity, areas of characteristic flora and fauna, protection and preservation of protected natural assets, and landscape protection and management. In all sectoral laws, cross-sectoral coordination is mandatory, as legal mechanisms often differ. This highlights the importance of drafting regulations for inter-sectoral coordination and their implementation. The most significant negative phenomena related to land use in forest ecosystems include: the construction of weekend settlements within forest complexes (e.g., Jahorina, Trebević, Crni Vrh), illegal extraction of stone and gravel, degradation of forest ecosystems due to small hydroelectric plants, unlawful deforestation for illegal timber trade, and others. A fundamental limitation for optimizing land use and planning investments in forestry, particularly forest cultivation activities, is the lack of reliable data on land designation. Planning documents in forestry do not fully address land use, which represents a deficiency regarding its utilization. Afforestation plans for state-owned forests are linked to data on scrub and bare land suitable for afforestation. These data need to be more precise to allow nursery and seed production planning to be based on realistic assumptions. Additionally, the situation regarding private forest areas, their classification, and the delineation between state-owned and private forests represents a separate problem, affecting the rational use of the private forest fund.

2.1.13. **Economic Aspects of Business and Other Entities in Forestry**

The largest portion of business revenues in 2022 came from sales of forestry products—BAM 209.99 million, or 88.4% of total revenues–and revenues from designated sources of BAM 16.83 million, or 7.1% of total revenues. According to official statistics, between 2019 and 2023, the forestry sector contributed 1.4% to the GDP of the Republic of Srpska, except in 2021 when it was 1.3%. Analysis of production-financial indicators for 2011–2022 indicates a growing trend in revenues and expenses, with significant variations in profit/loss. Total revenues in 2022 amounted to BAM 238.70 million, an increase of approximately 39% (or BAM 66.46 million) compared to 2011. At the same time, expenses increased by approximately 31% (or BAM 54 million), from BAM 175.95 million in 2011 to BAM 229.96 million in 2022 (Fig. 4).

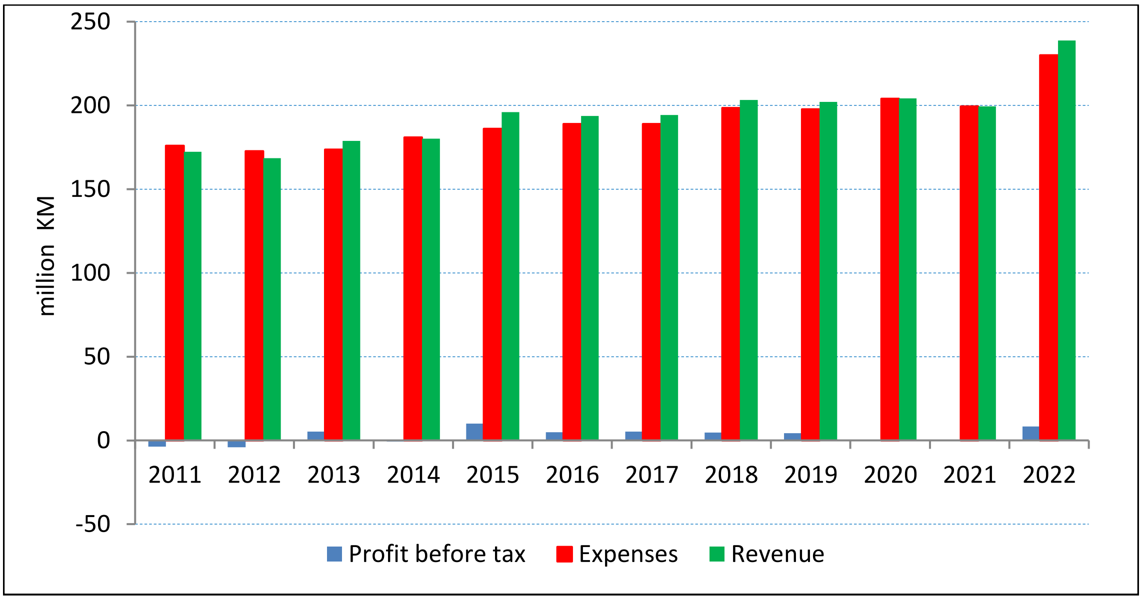


Figure 4. Revenue, expenses, and profit before tax of the PFE “Forests of the Republic of Srpska” (2011–2022)

Significant variability in the realized profit/loss, which in the observed period ranged from −4.16 to 9.96 million BAM (profit before tax) during 2011–2022, indicates an occasional inability to achieve a positive financial result from generated revenues. In the analyzed period, the total number of employees exhibited a continuous upward trend (from 4,196 in 2011 to 4,903 in 2022), while the costs of wages and employee benefits accounted on average for over 45% of total expenses (ranging from 72.92 to 110 million BAM). Within the structure of total employment, a substantial share is represented by administrative staff, accounting on average for about 25%. At the same time, the analysis of the net profit margin also indicates variable trends, with values ranging from a minimum of −2.47% in 2012 to a maximum of 4.72% in 2015 and 3.45% in 2022, with an average of 1.22% (Fig. 5).

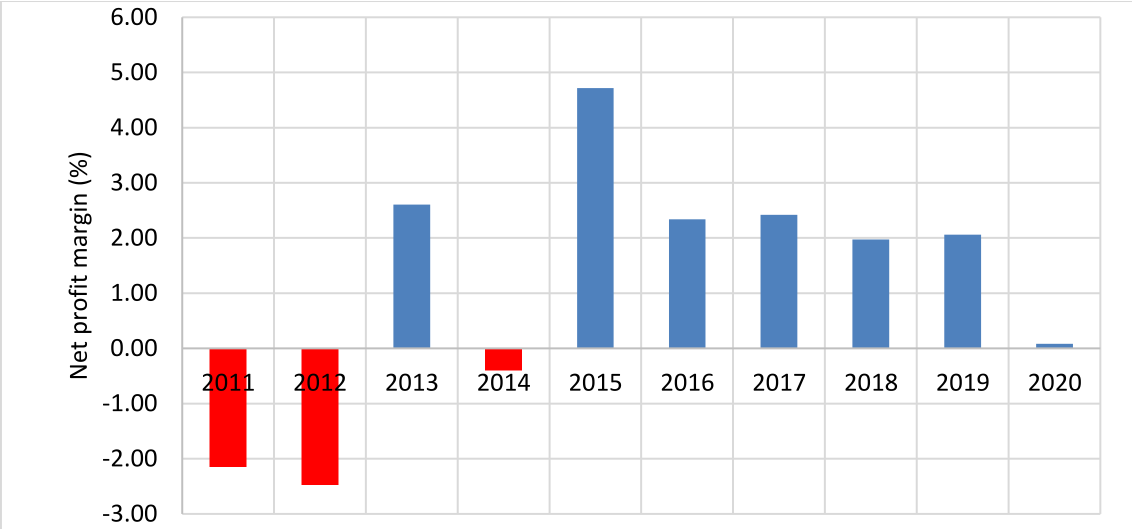


Figure 5. Net profit margin of the Public Forestry Enterprise “Forests of the Republic of Srpska” (2011–2022)

Investment expenditures mostly exhibited an upward trend, with an average of 19.02 million BAM over the entire analyzed period 2012–2022 (ranging from 13.35 to a maximum of 25.50 million BAM in 2019, and 24.54 million BAM in 2022). Total investments for the entire period 2012–2022 amounted to 228.22 million BAM (Fig. 6).

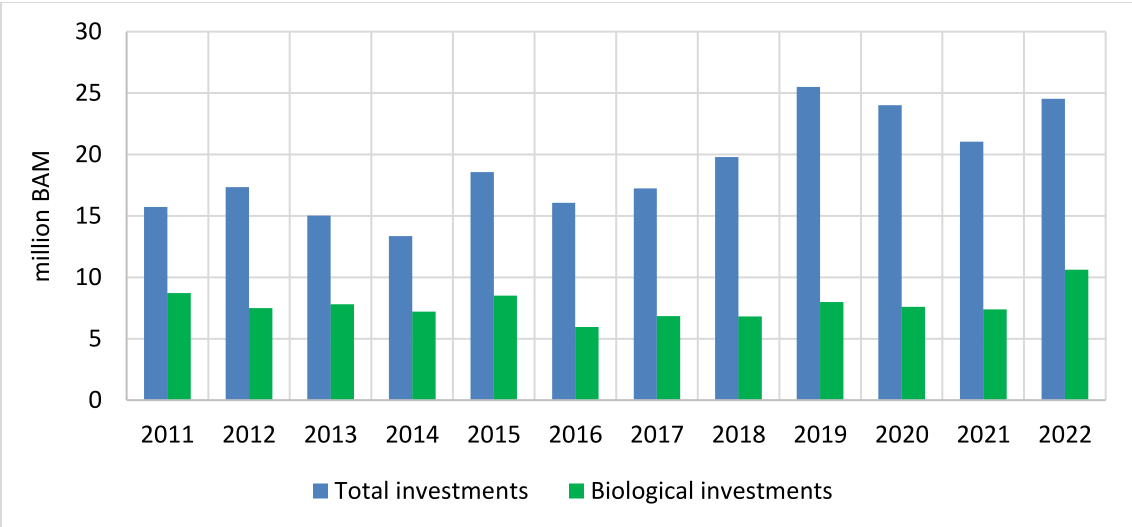
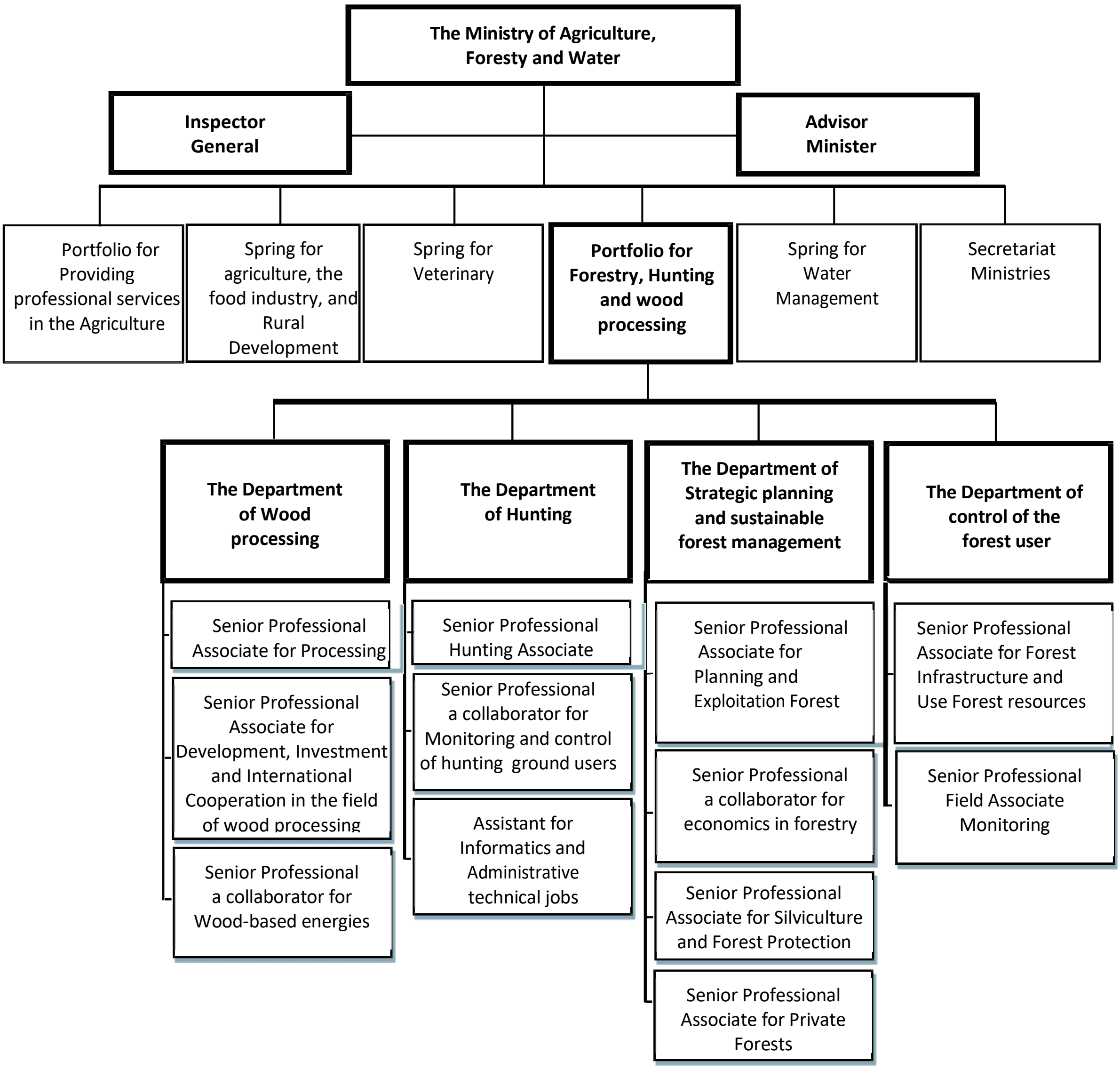


Figure 6. Total and biological investments of the PFE “Forests of the Republic of Srpska” (2011–2022)

Forestry contractors in the territory of the Republika Srpska are organized into 107 business entities with an annual volume of up to 3,000 m³ and 139 business entities with a capacity of more than 3,000 m³. These companies employ approximately 1,200 workers, most of whom are from rural areas, which represents a significant economic driver of employment and income generation in local communities. The challenges faced by forestry contractors primarily relate to the insufficient number and structure (especially the age structure) of the qualified workforce, mainly due to migration from rural to urban areas. The problem is further complicated by the fact that currently around 80% of logging, processing and export/removal of assortments are carried out by these business entities. Moreover, the average costs of using own mechanization in the PFE "Forests of the Republic of Srpska" (even when choosing the department with the most favorable working conditions) are higher than the costs of contractors (by 10.36 BAM/m³ in 2022). The average costs of felling and logging in 2022 amounted to 35.14 BAM/m³ (including own resources and external contractors), which is 4.09 BAM/m³ more compared to the same period in 2021, when the average cost was 31.05 BAM/m³. The joint-stock company "Industrijske plantaže" is the only company in the Republic of Srpska that manages industrial plantations, which cover approximately 7,500 hectares. PFE provides professional and technical services to private forest owners in these forests. The most significant form of organizing and representing the interests of private forest owners is reflected in the work of the active association "Our Forest". Complex social conditions in the past thirty years have led to serious degradation and deforestation of forests in private forests. The main challenge for organized and sustainable management of private forests is their division into 600,000 cadastral plots owned by about 340,000 owners. In addition, there are unresolved issues of property rights, unclear boundaries, cadastral irregularities, a high share of leased forests (64%), limited openness, unfavorable assortment structure, illegal activities, unreliable data on timber inventory, poor organization and insufficient investments in cultivation, protection and use. The lack of certification in accordance with international standards (Forest Stewardship Council, FSC; Programme for the Endorsement of Forest Certification, PEFC) affects compliance with modern trends in private forest management. Furthermore, the estimated area of mined forest land in Republika Srpska negatively affects the potential of using these areas for the production of wood and other forest products and services.

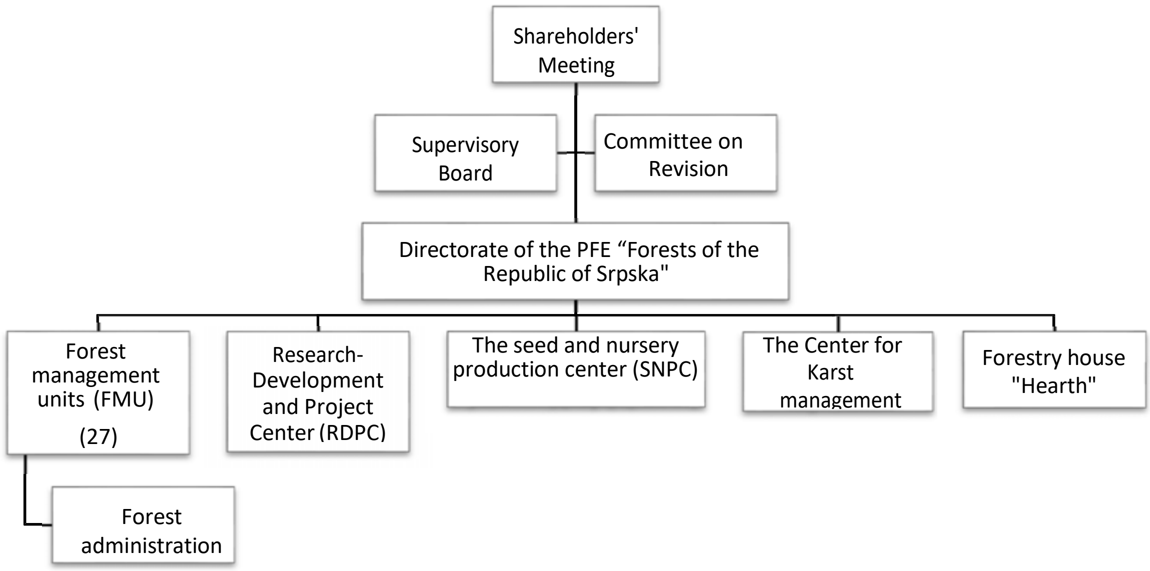
2.1.14. **Organizational Structure of Forestry Business Systems**

Forestry in the Republika Srpska is largely based on a traditional concept, with an established paradigm that forest timber assortments constitute the primary source of revenue, often at the expense of recognizing the need to create and develop other integrated value chains. Despite significant structural changes in the forestry sector of the Republika Srpska over the past thirty years, there remains a substantial need for modernization of the sector to achieve genuine sustainability, competitiveness, and integration into global markets and trends. The competent authority for forestry within the Government of the Republika Srpska is the Ministry of Agriculture, Forestry, and Water Management (Scheme 1).



Scheme 1. Organizational Structure of the Ministry of Agriculture, Forestry, and Water Management

For PFE it is of critical importance to properly define the elements of the organizational structure, including horizontal, vertical, and spatial differentiation, along with determining the functional levels of formalization and centralization, all while applying sound regional and international practices and involving representatives of various stakeholder groups. The company was established in accordance with two laws: the Law on PFE and the Law on Business Companies (Scheme 2).



Scheme 2. Organizational structure of PFE "Forests of the Republic of Srpska" JSC Sokolac

Within the chamber system of the Republika Srpska, the Association of Forestry and Wood Processing is active as the primary form of organization and cooperation among the members of the Chamber of Commerce of the Republic of Srpska in the fields of forestry, wood processing, and furniture production. The governing bodies of the Association consist of the Assembly, which has 45 members, nine of whom are from the forestry sector, and the Executive Board, which has 17 members, three of whom represent the forestry sector. The Association of Forestry and Wood Processing represents the interests of two complementary yet distinct economic sectors which are often characterized by conflicting interests. A particular challenge for the sector concerns the lack of incentives for micro and small business entities, primarily through regulatory and financial frameworks. These entities, due to their flexibility and ability to adapt rapidly to changes, can represent one of the key factors underpinning the sustainability and further development of the entire sector.

2.1.15. Valorization of the total values of forest ecosystems and assessment of the profitability of investments in the forestry sector

One of the basic pillars for the orientation of the forestry sector towards the concepts of green, circular and bio-economy lies in the fact that forest eco-systems provide society with numerous ecological, economic and social values. In the current Law on Forests of the Republic of Srpska it is emphasized that the value of forests consists of the value of trees (wood), soil, other forest products and non-profit functions of forests. The method and methodology of determining the value of forests is defined in the Rulebook on the Method and Procedure of Determining the Value of Forests ("Official Gazette of the Republika Srpska", No. 72/09). In addition to emphasizing the non-profit functions of forests, the assessment of their value is not elaborated in detail in the regulatory (primarily refers to the aforementioned Rulebook), but also in the planning documentation (forest-management bases). In addition to the necessity and insistence on the obligation of biological investments, the need for investment in infrastructure and fixed assets was expressed, in order to create preconditions for the sustainable use of existing potentials, process innovation, creation of new value chains and diversification of activities. The dominant perception in the sector is that only the direct values of forest eco-systems condition the realization of economic and financial benefits. The current way of determining the value of forests as natural It is not fully adapted to modern economic, environmental and development trends and needs. The current planning of investments within the forest management bases is predominantly based on the expenditure side, without assessing the profitability of the same, which may affect the inability to make the right future decisions for the investment of material and financial resources in forestry.

2.1.16. **Harmonization of business with the principles and criteria of standards in the field of forestry**

A significant advancement toward sustainable forest management in forests owned by the Republika Srpska occurred during the period from 2005 to 2008, when alignment with FSC standards–i.e., international forest certification standards–was achieved. Following this period, regular audits and recertifications were established, confirming that forests in the Republika Srpska are managed in an environmentally responsible, socially beneficial, and economically sustainable manner. PFE holds the certificate SGSCH-FM/CoC-004338, valid from March 10, 2023, to March 9, 2028.

Bosnia and Herzegovina was the first country in the region to develop national FSC standards, comprising ten principles (one of which is not applicable in BiH) and 64 criteria, facilitating a faster, more cost-effective, and higher-quality certification process. Within the national FSC standards for Bosnia and Herzegovina, 123 laws and by-laws applicable to the Republika Srpska, as well as 31 PFE normative acts, are referenced. Additionally, 27 international conventions and protocols ratified by BiH are included (e.g., CITES – Convention on International Trade in Endangered Species of Wild Fauna and Flora; ILO – International Labour Organization; UNFCCC – United Nations Framework Convention on Climate Change; UNCCD – United Nations Convention to Combat Desertification; CBD – Convention on Biological Diversity, among others).

Although some of these principles emphasize economic aspects more strongly, the importance of adhering to all provisions of the adopted FSC standards is unequivocal, as they aim to modernize the sector within the context of green, circular, and bioeconomy frameworks, while ensuring sustainable forest management overall. The main challenges in implementing all principles, criteria, and indicators prescribed by international standards relate to occasionally reactive rather than proactive management practices. The management of private forests has not yet been certified according to international standards for sustainable forest management. The “Naša Šuma” (Our Forest) Association of Private Forest Owners in the Republika Srpska became a PEFC national member for Bosnia and Herzegovina in 2020, and in 2021, PEFC standards for sustainable forest management in Republika Srpska/Bosnia and Herzegovina were adopted. Additionally, the “Naša Šuma” Association, together with PEFC national members from Slovenia and North Macedonia, is part of the PEFC Balkan Forest Certification System initiative.

2.1.17. **Marketing concept of business and development of entrepreneurship at the Forestry Sector**

The current situation indicates insufficient application of the marketing business concept in the forestry sector of the Republika Srpska. Despite significant improvements, there remains a pronounced need for more detailed classification, pricing, and sales strategies for all types of forestry products and services. The situation is further complicated by the large number of products and services that could be offered on the market, some of which are not easily quantified or valued (e.g., biodiversity, cultural-historical value, landscape, etc.). Implementation of the Strategic Plan for Forest Roads of the Republic of Srpska aims to increase road density by 8% compared to the current state. According to this plan, the construction of a primary forest road network is expected to enable the utilization of an additional 6,607 forest compartments that were previously inaccessible, resulting in an additional 73,198 m^3 of timber assortments and biomass annually. The dominant position of PFE in the forestry sector of the Republika Srpska often leads to the mistaken assumption of limited opportunities for entrepreneurship development within the sector. Current circumstances indicate that entrepreneurial development, with emphasis on the “green” nature of the forestry sector, is not high on the list of priorities. Furthermore, a locally coordinated and comprehensive systematization of all potential economic activities has not been established, which would serve as a foundation for initiating entrepreneurial ventures. As the largest economic entity by all criteria, PFE plays a clear and crucial role in the sector; however, it is necessary to also develop complementary and supporting activities to ensure full functionality, increase revenues, and attract investments. From PFE’s perspective, in addition to existing initiatives to increase the utilization of other forest products, further stimulation of internal entrepreneurship represents a prerequisite for sustainable growth and development. Currently, private forests are primarily used for owners’ personal needs, such as firewood and technical timber, or with frequent rights granted to third parties through the sale of higher-quality assortments. The amendments to the Forest Law in 2020 have more precisely defined forestry contractors as either business companies or entrepreneurs. Viewing forests solely as a raw material source for the wood-processing industry and focusing exclusively on timber assortments as the only source of revenue—often with a negative connotation for non-timber forest products—represents initial challenges in the adequate application of the marketing business concept in the forestry sector. At present, activities aimed at building and promoting a socially responsible sector brand—one that manages and governs resources essential for economic development, a healthy environment, recreational spaces, public health, and all other essential values for current and future generations—are insufficient. A significant portion of the forest ecosystem's value, particularly ecological and social, remains underrecognized and undervalued by the wider public. Current challenges for entrepreneurship development in the sector relate to underdeveloped innovative value chains with vertical and horizontal integration, creating a need for diversification and for linking activities beyond traditional timber production, as well as developing innovative products and services to fully utilize the potential of forest ecosystems. The forestry sector, with all its ecological, economic, and social values, provides significant opportunities for entrepreneurial development. Considering related sectors, the development of "green" entrepreneurship is not only possible but highly necessary. Current incentives and promotion of opportunities for initiating and developing entrepreneurial ventures in forestry and related sectors—ranging from forestry contractors to consultancy organizations—are very limited and lack a strategic approach. Unresolved ownership issues, parcel sizes, insufficient knowledge of forest conditions, and lack of understanding of market opportunities—including the full potential beyond timber assortments—reduce the motivation of private forest owners to start independent entrepreneurial activities. Additionally, financing models for entrepreneurial activities are insufficiently developed and legally defined, with a chronic shortage of skilled personnel as development drivers and facilitators of horizontal and vertical integration within the sector. Administrative procedures and complex regulations at both the entity and local levels, particularly those related to operational business activities (e.g., fiscal and parafiscal regulations), often represent obstacles to effective operation of entrepreneurial entities.

2.1.18. **Access to financial resources**

For the majority of business entities in the forestry sector, excluding PFE, operations are typically conducted at the level of micro and small enterprises, with limited potential to transition to medium-sized enterprises. In these circumstances, the liquidity of most sector enterprises, including PFE, has been constrained. The forestry sector is characterized by a pronounced need for biological investments, the financing of which forms the foundation for sustainable development in terms of the long-term utilization of economic, ecological, and social values. Accumulated historical challenges—among them the significant indebtedness of PFE, the largest economic entity in the sector—substantially complicate access to quality financing sources. Access to finance remains one of the most pressing issues faced by entrepreneurs, micro, small, and medium enterprises, especially in transition economies. Potential additional financial and other resources for the sector in the 2021–2027 investment period are available through the EU Horizon Program, IPA funds, and the ERASMUS+ program. In addition, programs from other international development organizations are relevant, including:

- German Corporation for International Cooperation (GIZ),
- Sweden's International Development Cooperation Agency (SIDA),
- United Nations Development Programme (UNDP),
- Food and Agriculture Organization (FAO),
- World Bank (WB).

Furthermore, significant international funds include the Global Environment Facility (GEF), Green for Growth Fund (GGF), Climate Investment Funds (CIF), Green Climate Fund (GCF), Sustainable Development Goals Fund (SDGF), and the Special Climate Change Fund (SCCF). These resources are realistically accessible for activities focused on forestry within the context of green economy, rural development, nature protection, land degradation, environmental protection, and sustainable energy sources.

The banking sector can also provide a significant incentive for such activities by establishing specialized "green" credit lines (Green Credit Lines, GCLs). In this context, in addition to improving the offerings of commercial banks, the EU Economic and Investment Plan for the Western Balkans highlights the roles of the European Investment Bank (EIB) and the European Bank for Reconstruction and Development (EBRD), along with other international financial institutions. Additionally, the Western Balkans Investment Framework (WBIF), including the Private Sector Platform, Western Balkans Enterprise Development and Innovation Facility (WB EDIF), and the Western Balkans Guarantee Instrument, which brings together Western Balkan partners, bilateral donors, and international financial institutions, will play a key role in ensuring the effective implementation of investment packages for the green and digital transition.

2.1.19. **Financing of the Forestry Sector**

Fees for the use of forests and forest land owned by the Republika Srpska (funds for simple reproduction) are allocated from the total revenue generated by users of forests and forest land owned by the Republika Srpska. In accordance with Article 89, paragraph 4 of the Forest Law of the Republika Srpska, allocated funds cannot be less than 10% of the value of sold timber assortments, determined at stumpage prices according to the valid price list. Funds are used within the respective forest management unit where they were generated. The Ministry of Agriculture, Water Management, and Forestry of the Republika Srpska supervises the payment and use of these funds**.** From 2011 to 2022, a total of 148,984,301 BAM was allocated for simple reproduction, averaging 12.4 million BAM per year (Fig. 7). Allocations for simple reproduction generally show an upward trend, increasing from approximately 10 million BAM in 2011 to about 16 million BAM in 2022. To achieve long-term objectives based on the principles of sustainable forest management, special-purpose funds for forests (expanded reproduction) are provided for forest protection, policy and planning, forest management, cadastre consolidation, and forest improvement. Special-purpose funds for forests are used to promote sustainable forestry development in accordance with Article 95 of the Forest Law of the Republika Srpska. Compensation for enhancing the public utility functions of forests is paid into the Republic's public revenue account by all legal entities operating within the territory of the Republika Srpska, as well as by business units or branches of legal entities whose headquarters are outside the Republika Srpska. The basis for determining the fee is the total revenue, with a rate of 0.07% applied. The basis for charging fees for forest land lease and removal from forest production is the amount of collected rent, with funds intended for the purchase and establishment of new forests owned by the Republika Srpska. Compensation levied on the proposer of land clearing is paid 30% to the local public revenue account of the municipality where the property is located and 70% to the public revenue account of the Republika Srpska, with municipal funds used exclusively for the improvement of private forests. Total funds collected through the special-purpose forestry accounts (single treasury system) from 2011 to 2022 amounted to 190,533,857 BAM, averaging approximately 16 million BAM per year (ranging from 14.46 to 18.55 million BAM).

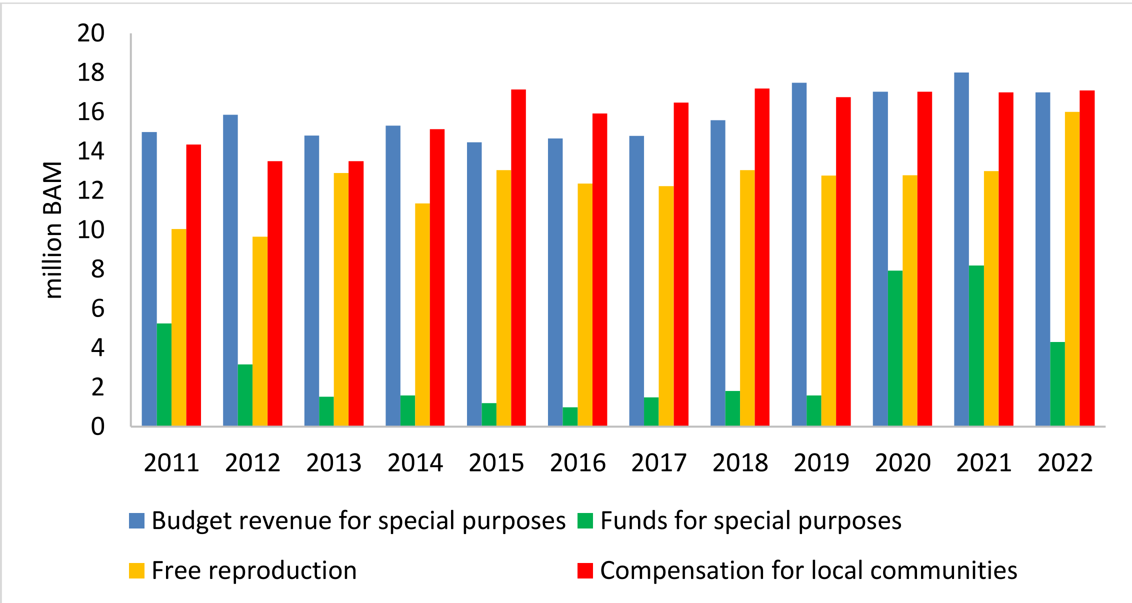


Figure 7. Financing of the forestry sector and compensation for local communities (2011–2022)

Of this amount, the planned allocation to the forestry sector amounted to 41,061,300 BAM (from 1.36 to 8.32 million BAM), or 21.55% of the total funds collected for these purposes. The Plan was executed in the amount of 38,541,561 BAM (from 0.98 to 8.10 million BAM), or 93.86%, which represents only 20.23% of the total collected funds for special purposes for forests. Also, through a public tender, 11,636,612 BAM or 30.19% of the funds directed to the forestry sector were directed to the forestry sector.[1]

[1] Original data from the Ministry of Agriculture, Forestry and Water Management.

2.1.20. **Supply, demand, and prices of products and services in the forestry sector**

In the Republic of Srpska (2021), there are approximately 550 business entities registered for wood processing, of which around 300 have signed contracts with PFE for the supply of forest timber assortments. A negative fact is that of these business entities, only about 6% are final processors, and around 10% are semi-finished processors. Analyzing the supply for the period 2011–2022, it was found that about 88% of the timber raw material comes from forests owned by the Republic of Srpska, and the average felled gross timber volume (in forest and outside forest) was about 3 million m³, of which 2.67 million m³ came from state forests and 0.36 million m³ from private forests. From the felled gross timber volume, the average annual production is around 1.36 million m³ of industrial and technical wood, or about 45% (approximately 1.20 million m³ from forests owned by the Republic, and 0.16 million m³ from private forests) (Fig. 8).

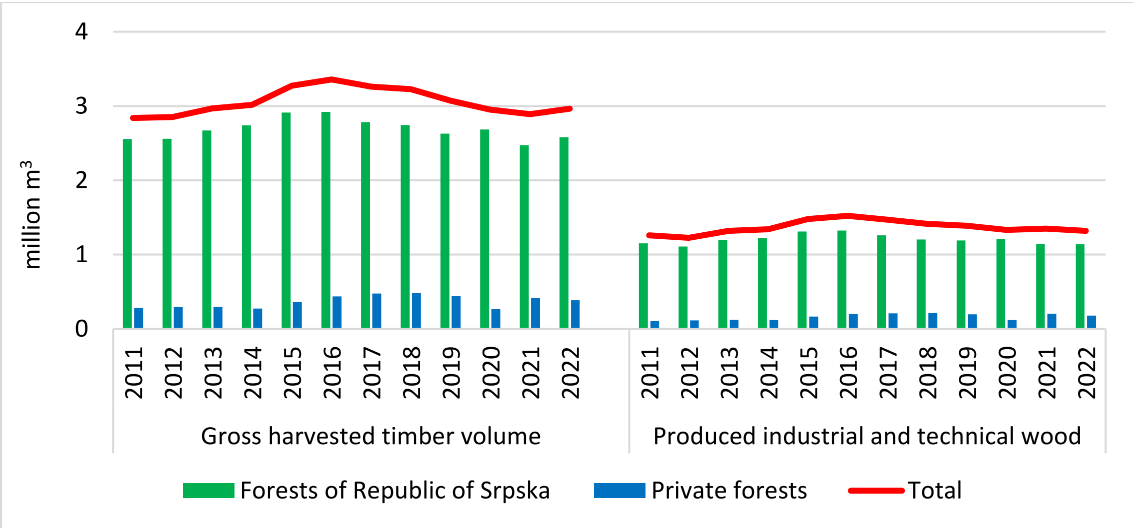


Figure 8. Felled gross timber volume (in forest and outside forest); industrial and technical wood; Forests owned by the Republic of Srpska and private forests

Current methods for selling forest timber assortments in the Republic of Srpska include sales through contracts for successive deliveries, auctions, and retail sales. The introduction of the Criteria in 2016 increased the transparency of sales, while amendments in 2019 further limited the sale of raw materials to economic entities that could represent unfair competition (those with fewer than five employees or who fail to meet obligations on time). Additionally, in 2019, conditions and criteria were established for classifying wood industry enterprises based on the level of processing into final, semi-finished, and primary processors. Beyond timber assortments, the use of biomass as a renewable and carbon-neutral energy source is already significant in the Republic of Srpska. Besides firewood, other wood fuels such as pellets, briquettes, and wood chips are increasingly used in households and district heating systems. The reorganization of the PFE in 2018, with the establishment of a separate sector for other forest products, marked the beginning of organized alignment with European trends and greater valorization and utilization of non-timber forest products. The establishment of organizational units within forest management enterprises under PFE, combined with the activities of local residents and entrepreneurs, provides a solid foundation for generating additional income from the use of forest fruits and seeds, honey, mushrooms, medicinal, aromatic, culinary, and edible herbs, humus, resin, peat, tannins, snails, stone, gravel, sand, limestone, clay, and other non-timber forest products. The potential of plantations of fast-growing tree species is almost entirely neglected in the Republic of Srpska, with insufficient use of opportunities to reduce pressure on natural forests by providing raw materials for the pulp and paper industry, biomass for energy purposes, and technical wood, for which demand continues to grow. The price lists of timber assortments and other products of PFE are adopted by the Supervisory Board of the Public Enterprise, following the approval of the Government of the Republic of Srpska. Comparative analysis has shown that sawmill log prices increased slightly, with an average increase of 7.19% in 2021 compared to 2018. A relatively large number of wood processing facilities focus on primary processing of wood, achieving high turnover but low added value, which creates significant pressure on PFE to supply raw materials. Current estimated needs of the wood processing sector are 2.5 times higher than the production volume of forest timber assortments. From the forestry side, issues are evident in insufficient road accessibility, a limited number of contractors for forest utilization, the need to modernize planning methodologies, and the inability to achieve planned physical production volumes due to organizational shortcomings, alongside a pronounced need for constant control and training in cutting and grading forest timber assortments. A current problem relates to modest sales volumes through open bidding, alongside increasing demand from an oversized wood processing sector still dominated by primary processing. The biomass potential of existing forest plantations (over 50,000 ha) has not been exploited, as has the sustainable use of fast-growing tree plantations. There is a need to intensify efforts in modernizing regulations, planning documents, and introducing new business models and "green" entrepreneurship by both state and private actors, such as "machine circles" or circular economy models already applied in neighboring countries. These activities are necessary alongside improvements in production process organization, procurement of basic resources, financial incentives, and the establishment of a stable market. A particular problem concerns official data on firewood consumption. According to 2015 research using the UN FAO WISDOM methodology, the average household consumption in the Republic of Srpska was 7.26 m^3, which is 3.41 times higher than official statistical data. Limitations in utilizing the potential of other (non-timber) forest products relate to unreliable quantity data, incomplete sustainable use planning, and the need to further organize the market, potentially combining state and private entrepreneurial initiatives. These initiatives could contribute significantly to rural development and improving demographic trends in rural areas. The current situation shows a complete lack of utilization of the potential of forest ecosystems in the Republic of Srpska for financial valorization of carbon storage and the introduction of innovative models for generating revenue through carbon credits. Relevant strategies and plans for climate change mitigation have not been properly integrated into existing forestry legislation. Apart from individual scientific and research initiatives, no systematic assessment has been carried out regarding the possibilities and models for utilizing this forestry potential. With currently negligible areas under forest plantations of tree species, the benefits of this type of production are unrealized, including use of timber and non-timber forest products, carbon storage, regulation of the hydrological cycle, reduction of surface runoff, erosion, and wind or flood damage, improvement of habitat connectivity for biodiversity conservation, and contribution to phytoremediation.

2.1.21. Mobilization of financing sources for the forestry sector

Attracting foreign investments is often hindered by insufficient transparency and openness of the sector, limited promotion of its potential, unresolved ownership relations, differing priorities among stakeholders, as well as the complex political and economic situation in the country. Significant incentive funds are available globally for the forestry sector, particularly in light of climate change, renewable energy utilization, and biodiversity conservation. On the other hand, there is a pronounced need to mobilize additional resources (both financial and non-financial), but the links between supply and demand are not sufficiently established, and business operations continue to follow established patterns. There is insufficient focus on building linkages between different sectors (finance, forestry and related industries), between stakeholders (private investors, businesses, public and civil sectors), and between different concepts (economic development aligned with social and environmental sustainability). A particular challenge is the lack of coordinated action by all stakeholders to increase resource mobilization.

2.1.22. Strengthening material and human capacities for identifying and attracting different types of financial and other resources

Current trends indicate insufficiently developed human resources capable of actively identifying new potentials and attracting, primarily, foreign sources of financing and technical support. The most active approaches are observed in higher education institutions, certain development agencies, and civil society organizations. In most cases, individual initiative dominates, without significant initiatives or support for implementing a broader systemic approach. Among most republican and local government bodies, there is a noticeable lack of human capacity in terms of both quantity and competency. A similar situation exists within the largest economic entity in the sector, the PFE, primarily regarding the insufficient ability of existing staff to undertake significant initiatives. This situation often results in reactive approaches, with limited capacity for actively identifying new and quality sources of financing and technical support for the sector. Within higher education programs for the forestry sector, there is insufficient scope and/or interest in:mobility and international exchange of students and staff, study programs involving foreign lecturers, and the application of modern dual-education approaches.

2.1.23. **Key Challenges in the Forestry Sector**

1. Seed and Nursery Production:

- Provenance regions are not delineated or registered.
- Seed and planting material production is not aligned with sector needs.
- Forest genetic potential is not fully utilized.
- Insufficient investment and incentives in seed production, planting material, afforestation, and plantation establishment.
- Data on habitats suitable for afforestation are unreliable.
- Declining interest in establishing new forests through planning documents.
- Maintenance measures in newly established plantations are not implemented.
- Karst areas are frequently exposed to fires and only partially successfully afforested.

2. Biodiversity and Protected Areas:

- Reduced share of noble broadleaves and fruit trees.
- No habitat classification at any level or habitat type maps.
- No inventory of plant or animal species, nor of genetic variability of any woody species.
- No monitoring of any species or habitats.
- No programs or projects linking biodiversity status with climate change, species adaptation, or mitigation.
- Ecological networks are not established.
- Insufficient knowledge of rare, endemic, internationally significant, protected, and endangered species and habitats.
- Protected area coverage is far below the European average.
- Tree species responses to climate change are unknown.
- Extinction or drastic range reduction of certain species.

3. Forest Protection:

- Forests increasingly threatened by pest outbreaks, diseases, and extreme abiotic impacts.
- Forest protection systems are inadequate.
- Illegal logging and irresponsible societal behavior toward forest ecosystems; insufficient enforcement of control and sanctions.
- Delayed restoration of burned areas.
- Low level of care by private forest owners.
- Absence of official integration into the ICPF network.
- Forest fire hazard index is neither calculated nor published in Republika Srpska.

4. Forest Management:

- Significant increase in coppice forest areas.
- Large areas suspected of landmines (about 1% of Republika Srpska).
- Reduced implementation of the total planned harvest in public forests.
- Large areas of coppice and degraded forests.
- Unsatisfactory harvest realization across all forest categories.
- Inconsistent application of forest management systems in planning documents.

5. Forest Management Planning and Governance:

- Insufficient attention to the development of forests' public benefits.
- Forest management planning in Republika Srpska is not fully aligned with sustainable management principles and multifunctional (ecological, economic, social) forest functions.
- Unresolved property rights, fragmented private forest holdings, and undefined boundaries between properties.
- Other forest functions are mentioned only declaratively in management plans.
- Legal regulations are not fully implemented in practice.
- Functional utilization of mined forest areas and forest lands is absent.

6. Forest Utilization:

- Demand for wood raw materials (FWA) significantly exceeds optimal capacity.
- Lack of workforce among private contractors and insufficient labor productivity.
- Ergonomic aspects of forestry are insufficiently addressed.
- Workforce shortages, especially in harvesting, export, and transport.
- Implementation of management plans (SPO) for private forests is unsatisfactory.
- Forest road network is insufficient and unevenly distributed.
- Organization of production and collection of non-wood forest products is insufficient.
- Areas planted with medicinal plants are small; collection activities are mostly spontaneous.
- Lack of facilities for receiving, storing, processing, and packaging secondary forest products.

7. Hunting:

- Quality, population size, and sex ratio of protected large game are inadequate.
- No “Hunting Development Program” has been adopted.
- Illegal hunting activities, insufficient attention to wildlife breeding and protection, and inadequate hunter education.
- Inability to export trophies from hunted game (CITES convention not adopted).

8. Education and Research:

- Declining enrollment in forestry and hunting programs; very low interest in wood processing studies.
- Insufficient infrastructure, particularly for field training; lack of teaching bases and worker training centers in forestry.
- Lack of trained personnel for preparation and management of international projects.
- Lack of research modeling potential future scenarios.
- Absence of a clear R&D financing plan.
- Insufficient research capacities, few researchers in existing institutions, and lack of fundamental research on forest ecosystems.

9. Economic Aspects of Businesses and Other Entities in Forestry:

- Multifunctional benefits of forests are insufficiently assessed and valued.
- Wood industry in Republika Srpska is mostly based on primary processing.
- Illegal activities undermine sector efficiency.
- Mined forest areas prevent utilization for production of goods and services.
- Population outflow from rural areas and increasing shortage of skilled labor.
- Occasional instability of PFE operationally and financially.
- Underutilization of private forest potential for income generation.
- Insufficient identification, promotion, and valorization of ecosystem services.
- Inadequate incentives for micro and small businesses in the sector.
- Management of private forests is not certified.
- Marketing approaches are insufficiently applied in the forestry sector.
- Entrepreneurial infrastructure is underdeveloped.

10. Financing of the Forestry Sector:

- Special-purpose funds for forests are not allocated continuously, timely, or fully for sector development; they are insufficient to implement all activities prescribed by the Forest Law.
- General reproduction funds are often used for works difficult to control or quantify.
- Allocations for local communities are significantly higher than in neighboring countries.
- A large number of wood-processing capacities focus on primary processing, with estimated needs 2.5 times higher than FWA production.
- Protected areas are not fully financially self-sustaining; they lack human, material, and infrastructure capacities.
- Need for intensive digitalization and increased transparency.
- Attracting foreign investments is often hampered by limited promotion of potential, unresolved ownership relations, differing stakeholder priorities, and complex political-economic conditions.
- Insufficient human and material capacities to utilize technical and financial support programs.

2.2. **Strategic focusing**

2.2.1. **SWOT Analysis**

SWOT Analysis – Climate and Forestry

Strenghts	*Weakness*
– High level of diversity in our forests; – Significant presence of more stable forest ecosystems; – Well-preserved natural forests and primeval forests; – Large areas suitable for afforestation.	– Insufficient data on the state of forest ecosystems and ongoing changes; – Current management systems do not adequately consider climate change; – Significant share of degraded ecosystems and coppice forests; – Small area of protected zones; – Low public awareness of biodiversity importance, climate change risks, and forestry's role in current trends; – Forestry personnel find it difficult to change established management practices; – Significant portion of mined areas; – Limited forest accessibility (insufficient network of forest roads); – Gradual conversion of mixed-age forests into single-age stands; – Inadequate forest management systems; – Non-compliance with all provisions of forest management plans (FMP); – Lack of workforce; – Insufficient knowledge and research on potential consequences
Opportunities	*Threaths*
– Higher productivity in specific forest ecosystems; – Potentially faster growth rates for certain tree species; – Potential new species of economic significance; – Access to international financial support; – New standards and regulations for forestry operations.	– Significant portions of forest ecosystems are in areas expected to experience intensive climate change; – Loss of rare and endangered species; – Increased frequency and intensity of forest fires; – Higher risk for rare and threatened forest communities; – Greater damages due to calamities, diseases, and pests; – Physiologically weakened ecosystems as a result of drought; – Risk of transformation of forest ecosystems leading to large-scale tree mortality; – Difficulty in preserving biological and genetic diversity; – Habitat fragmentation as a threat to biodiversity degradation; – Shifts in vegetation (horizontal and vertical); – Lack of qualified workforce; – Construction of small hydropower plants; – Illegal logging and increasing demand for timber as a raw material; – Species migration slower than climate change; – Insufficient awareness of the importance of climate change; – Human population migration.

SWOT Analysis – Seed Production, Nursery Management, and Afforestation

Strenghts	*Weakness*
– High-quality genetic potential in seed facilities; – Significant investments in equipment for seed processing and storage; – Significant investments in equipment for containerized nursery production; – Pronounced biodiversity in the forests of the Republic of Srpska.	– The genetic potential of registered seed facilities is not fully utilized; – Seed collection methods are organizationally/technically inadequate; – Planting material is of insufficient quality (outdated standards); – Poor transfer of planting material from nurseries to planting sites; – Insufficient support (incentives) for establishing new forests;

	– Inaccurate data on the structure of habitats suitable for afforestation; – Habits in planting material production and planting methods are difficult to change; – Mismatch between the production of planting material and the needs of public forestry enterprises by species, age, and quality; – Insufficient attention to newly established forests; – Limited promotion (marketing) activities; – Low efficiency in the production of planting material; – Poor quality of planting and maintenance work; – Lack of competitiveness in the labor market; – Some nursery equipment and machinery are outdated; – Insufficiently coordinated cooperation between the Center for Forest Seed and Reforestation (CFSR) and private farms.
Opportunities	*Threaths*
– Developed Master Plan for afforestation of open areas (Master Plan II currently under preparation); – Significant areas suitable for afforestation; – High-quality equipment for containerized nursery production; – Richness of species diversity in these areas; – Habitats suitable for plantation forestry.	– Unresolved property and legal issues; – Insufficient financial resources; – Existing and projected climate changes, as well as increasingly frequent extreme weather events (frost, drought, flooding); – Increased frequency and intensity of forest fires; – Declining interest in establishing new forests and plantations; – Inadequate training of workers for these tasks; – Trend of reduced demand for seeds and planting material.

SWOT Analisys – Forest Protection

Strenghts	*Weakness*
– Forest density and rich forest resources; – Self-regeneration and sustainability; – Biodiversity; – FSC (Forest Stewardship Council) certification, ensuring that forests and forest lands are managed according to strict ecological, social, and economic standards; – High potential for supporting the multifunctionality of forest ecosystems; – Potential for preserving environmental quality.	– High risk of forest fires, with increasing frequency and severity; – Limited accessibility in certain areas; – Insufficient financial resources for damage remediation; – Inadequate cooperation between public forestry services and organizational units of private forest owners; – Insufficient attention from private forest owners; – Vulnerability of major tree species; – Increased risk to rare and relict species; – Illegal activities, including unauthorized logging; – Spread of invasive species; – Tree damage during timber harvesting, creating conditions for the spread of other insects and pathogens; – Prevalence of damaged trees; – Forest and forest land pollution from global emissions; – Low public awareness of the importance of forests and forest protection; – Insufficient technical and human resources in forest protection; – Underdeveloped system for monitoring the impacts of climate change on forests.
Opportunities	*Threaths*
– International cooperation through accession and funding programs; – Adoption of new technologies and knowledge; – Compliance with international forest protection directives; – Participation in international and regional forest conservation initiatives; – Education and training in international institutions;	– Global Climate Change; – The emergence of invasive species; – Gradations of insects; – Range displacement and change in the bionomy of native insect species; – Increasing the intensity and frequency of extreme atmospheric phenomena, natural disasters, fires; – Unscrupulous attitude towards forest ecosystems;

– Scientific research activities; – Allocation of resources for research; – Increasing awareness of the importance of forests and forest protection; – Strengthening the capacities of relevant institutions, local communities, and the public; – Expansion of protected forest areas.	– Drying of forests; – Unlawful actions; – Lack of interest in new scientific developments; – Poor management of forests and forest fires; Low level of care for private forest owners.

SWOT Analysis – Forestry and Tourism

Strenghts	*Weakness*
– The existence of attractions in forest areas attractive to tourists; – Recognizing the natural values of forest ecosystems (especially among foreign tourists); – Transport accessibility of forest areas; – Good organized fishing sector.	– Insufficient recognition of forests as tourist destinations; – Poor connection between forest holdings and providers of tourist services; – Poor tourist signage; – Insufficient promotion of the tourist offer.
Opportunities	*Threaths*
– Increased environmental awareness of the population; – A greater degree of different types of forest ecosystem protection; – Better use of forest areas for tourist activities; – Generating additional revenues from the valorization of forest ecosystems for tourism purposes.	– Pollution of nature; – Endangering forest ecosystems through the expansion of mass tourism; – Endangering forest flora and fauna by tourists; – Travel restrictions due to pandemics and wars; – Inertness of PFE towards the diversification of core business.

SWOT analysis – Potentials of non-timber forest products

Strenghts	*Weakness*
– A wide range of forest fruits in the forests of RS; – An additional source of income for the Public Forestry Enterprise and the entity; – A regulated system for harvesting other forest products.	– Inability to achieve full control over the collection of other forest products; – Low level of awareness among the local population about the need to protect biodiversity.
Opportunities	*Threaths*
– Adding value to non-timber forest products through further processing; – Export and foreign currency inflow based on the export of other forest products; – An additional source of income for the rural population.	– Non-compliance with good collection practices during the harvesting of forest products; – Endangerment of certain rare plant species.

SWOT analysis – Forestry and employment

Strenghts	*Weakness*
– A renewable resource base for workforce employment – An opportunity for generating dual incomes for members of rural households	– Isufficient utilization of the workforce FMU – Physically demanding jobs with low income – Few jobs adapted to the female workforce
Opportunities	*Threaths*
– Demand for a more highly qualified workforce in forestry and the wood-processing industry; – Possibility of generating dual incomes for the rural population; – Greater mechanization and automation of work processes in forestry	– Competition from other sectors for lower-skilled workers.

SWOT Analysis – Forestry and Wood Processing

Strenghts	*Weakness*
– Tradition in forest management, wood processing, and woodworking; – A large number of domestic wood-processing capacities; – A good raw material base for the wood-processing industry; – Favorable geographic location and proximity to markets.	– Insufficient quantity of forest timber assortments; – Lack of qualified workforce; – Inadequate finalization of production; – Outdated technology and work equipment.
Opportunities	*Threaths*
– The demand for wood products is continuously increasing; – Growing demand for renewable energy sources.	– Increase in competition in the foreign marke.

SWOT Analysis – Forest Utilization

Strenghts	*Weakness*
– The potential timber volume for utilization exceeds the actual exploitation; – Road infrastructure is under the exclusive jurisdiction of the Public Enterprise "Forests of Republika Srpska" and the Ministry of Agriculture, Forestry and Water Management; – Forests represent a potential source for renewable energy and other ecosystem services; – Well-preserved nature and favorable climatic conditions; – Favorable conditions for sustainable forestry; – Advantageous geographical location; – Well-organized forest management units (FMUs); – Direct border with the European Union; – Professional personnel in forestry and related economic sectors; – Modern information management system; – FSC certification standard; – New documents and regulations: Forestry labor norms and standards, Volume and assortment tables (under preparation), Strategic plan for forest road network in Republika Srpska, Technical-technological terrain classification in Republika Srpska.	– Uneven development and construction of the forest truck road network; – Fragmented territorial structure of Republika Srpska; – Low production volume and low degree of final processing in the wood-processing sector; – The majority of exports are marketed as semi-finished products; – Unregistered logging activities; – Insufficient supervision and enforcement of regulations; – Inconsistent application of existing regulations; – Obsolete forest transport machinery and vehicles; – Inadequate engagement of professional forestry personnel; – Low motivation of employees in forest utilization operations; – Seasonal working hours and selection of workers for non-timber forest product (NTFP) collection; – Processing, storage, and distribution of non-timber forest products; – Insufficient utilization of privately-owned forests
Opportunities	*Threaths*
– Existence of export markets for timber and other forest products; – Additional revenue from utilization of wood biomass; – Additional revenue from non-timber forest products (NTFPs); – Opportunities for accessing international funding; – Potential of Forest Management Units (FMUs); – Alignment with EU standards; – Reindustrialization and revitalization of production; – Value-added processing of forest products; – Introduction of modern mechanization; – Improvement of plantation forests and management of forest cultures; – Reduction of transportation time; – – Strengthening the awareness and socio-economic structure of local communities on sustainable forest use	– Depopulation and weakening of rural areas; – Brain drain of highly qualified personnel; – Misalignment of the forest road network with actual needs; – Supply and demand imbalance of forest assortments; – Lack of planned and sustainable harvesting; – Increased soil and water pollution; – Shortage of both skilled and unskilled labor; – Low quality of higher-educated forestry personnel; – Downgrading of forest assortments; – Enterprise liquidity issues; – Pandemics and other forest management risks; – Adverse weather events; – Mined areas

SWOT Analysis – Hunting Management

Strenghts	*Weakness*
– Favorable geographical location; – Natural predispositions – diverse relief and climate, varied vegetation, well-preserved forests; – Good health status and quality of game species; – Presence of game species valued for hunting; – Favorable land ownership structure; – Well-organized hunting grounds; – Systematic support from the relevant Ministry; – Organized access and management of hunting areas; – Potential for investment in commercial hunting estates; – Tradition of hunting practice	– Poor functioning of certain hunting associations; – Low motivation and lack of expertise within associations; – Unresolved status of commercial hunting estates; – Insufficient commitment to the management of commercial hunting areas; – Underreporting of actual game harvests; – Low population numbers of certain game species and disrupted structure of roe deer populations; – Poor planning in wildlife management; – Insufficient quality of legal regulations; – Inefficient game-warden service and limited authority of wardens; – Inability to export or import hunting trophies – underdeveloped CITES framework; – Conflicts between landowners and hunters; – Wildlife-related traffic accidents; – Damage caused by wildlife to property and human-wildlife conflicts; – Insufficiently comprehensive database
Opportunities	*Threaths*
– Natural game farming; – Attractive ambience for game hunting ; – Harmonization of forest and hunting management; – Increase in breeding stocks of basic game species – Reaching the number of game in accordance with the calculated capacities; – Increase in shooting quotas of basic game species; – Increasing the quality of trophies ; – Establishment of game farms ; – Settlement of game in hunting grounds ; – Commercial hunting; – Hunting tourism; – Support from international institutions or funds ; – Education and training of personnel ; – Creating an integrated information system; – Changing the public's perception of hunting.	– Habitat fragmentation of wildlife; – Illegal hunting (poaching and unauthorized hunting); – Natural disasters and adverse environmental conditions; – Unfair competition and illegal hunting activities; – Uncertainty in the establishment of CITES-compliant regulatory structures; – Conflicts with animal protection organizations; – Wildlife damage caused by predators (jackals and stray dogs); – Wildlife diseases.

SWOT Analysis – Forest Management Planning

Strenghts	*Weakness*
– Clear commitment of society and legislative and executive authorities to sustainable forest management; – Republika Srpska is characterized by a high forest cover, with a trend of increase; – Long-standing tradition of forest management planning based on the principles of continuous revenue and production; – Certified forest management of Republika Srpska state-owned forests according to environmentally responsible and socially beneficial standards; – Developed management systems adapted to tree species, habitat, and stand conditions, supporting natural forest regeneration; – Continuous implementation of forest inventories in forest management units over extended periods; – Predominance of mixed, vital, and multi-aged forests with natural regeneration.	– The forest management planning system of Republika Srpska state-owned forests lacks sufficient adaptive management characteristics; – Implementation of planned harvesting volumes (quotas) occurs only in parts of forest areas accessible by forest roads; – Certification of private forest management has not been carried out; – Partial implementation of management plans (quotas) in artificially established stands and plantation forests; – Fragmentation of private forest properties; – Unfavorable structure of privately-owned forests; – Lack of permanent forest inventory implementation; – Outdated methodologies for preparing FMP; – Problems with property-rights issues and determining exact boundaries of forest holdings.

Opportunities	*Threaths*
– Free formation of timber prices and market-oriented forestry operations; – Elimination of illegal activities within the sector; – Targeted allocation of special-purpose funds for forestry; – Introduction of modern technologies; – Demining of forest areas; – Collaboration with international associations engaged in forest ecosystem monitoring; – Development of a modern, unified forestry IS; – Prohibition of subdivision of forest cadastral plots and systematic consolidation of private forest holdings; – Increasing demand for wood biomas – Free formation of timber prices and market-oriented forestry operations; – Elimination of illegal activities within the sector; – Targeted allocation of special-purpose funds for forestry; – Introduction of modern technologies; – Demining of forest areas; – Collaboration with international associations engaged in forest ecosystem monitoring; – Development of a modern, unified forestry IS; – Prohibition of subdivision of forest cadastral plots and systematic consolidation of private forest holdings; – Increasing demand for wood biomas.	– Weak implementation of forest management plans in privately-owned forests; – Illegal activities in the forestry sector and deficiencies in enforcement and penalty policies; – Inadequate application of prescribed management systems in high forests; – Misallocation of special-purpose forestry funds; – Shortage of qualified personnel for forest management planning tasks; – Expansion of coppice forests.

SWOT Analysis – Forestry Education and Research

Strenghts	*Weakness*
– Long-standing tradition of forestry education – Legislative framework enabling the development of forestry education and research – Significant linkages with other sectors, particularly industry, and their contribution to the gross domestic product – The importance of forests as a natural resource in the context of climate change.	– Low entry-level performance from primary to secondary schools, and from secondary schools to forestry faculties – Insufficient human resource capacity in institutions providing forestry education – Absence of specialized forestry-focused secondary schools – Weak technical capacity of institutions engaged in forestry education – Insufficient share of practical training – Outdated textbooks in secondary schools that are not aligned with current curricula – Limited involvement of industry professionals in teaching for students at both secondary and tertiary levels.
Opportunities	*Threaths*
– Insuring improved standards for forestry sector employees – Transparent recruitment processes across various forestry institutions; – Systematic provision of scholarships for forestry personnel; – Established prerequisites for non-formal forestry education; – Establishment of specialized secondary forestry schools; – Creation of a center for professional development and skills training in forestry; – Promotion of the multifunctional importance of forests.	– Negative demographic trends, particularly in rural areas, which are the primary source of students entering forestry education – Unfair competition in secondary and higher forestry education within the region surrounding Republika Srpska – Inability to secure funding for implementing strategic reforms in secondary forestry education – Insufficient collaboration with industry, especially in the context of secondary forestry education

2.2.2. **Strategic Focus Areas**

Based on the situational and SWOT analysis, the following strategic focus areas have been defined:

1. Sustainable management of forest ecosystems
2. Improvement of forest conditions in terms of production, ecological, and social functions
3. Enhancement of organizational and economic performance in forestry
4. Development of forestry education and scientific research
5. Application of innovative technologies

2.2.3. Vision of the Forestry Development Strategy of Republic of Srpska

Based on the global forest sustainable development goals (Global Forest Goals and Targets in the United Nations Strategic Plan for Forests 2030) defined within the UN Strategic Plan for Forests (United Nations Department of Economic and Social Affairs, United Nations Forum on Forests Secretariat, 2021) and adapted to our national context in alignment with the objectives of the new European Union Forest Strategy for 2030 (EU Forest Strategy for 2030, 2021), the vision of the Strategy has been defined as follows:

Forest management enables the sustainable development of stable, healthy, and diverse forests that provide essential economic, social, ecological, and cultural benefits for present and future generations.

2.2.4. Strategic Goals of Forestry Development with Indicators

The Forestry Development Strategy of Republika Srpska for the period 2026–2035 defines strategic objectives that will be monitored using selected indicators. These indicators will allow for the assessment of the type and extent of changes in the forestry sector of Republika Srpska.

	STRATEGIC GOALS	Indicator	Baseline value (2026)	Target value (2035)
1.	Increase forest cover, productivity, and quality, including enhancing contributions to global climate change mitigation efforts	Forest area (ha)	1,090,974	1,105,000
2.	Improve multifunctional (economic, ecological, and social) benefits from forestry, including better living conditions in rural areas	Total forestry revenue (BAM)	300,000,000	350,000,000
3.	Preserve biodiversity and increase areas of protected forests and other forests of special purpose	Area of special-purpose forests (ha)	74,168	160,000
4.	Increase new and additional financial resources from all sources for sustainable forest management and strengthen education, scientific-technical cooperation, and partnerships	Investments in modern technologies and work equipment (BAM)	20,000,000	40,000,000
		Number of educational and research institutions	3	4
5.	Insure sustainable forest management, including public promotion, international agreements, collaboration, coordination, coherence, and synergy with sectors, partner organizations, and relevant forestry stakeholders at all levels	Degree of alignment, coordination, and coherence (%)	30	70

3. PRIORITIES AND MEASURES WITH INDICATORS

The priorities for each strategic objective, along with defined indicators (baseline and target values), are presented in the following tables.

	STRATEGIC GOALS	PRIORITY
1.	Increase forest cover, productivity, and quality, including enhancing contributions to global climate change mitigation efforts	1.1. Conservation and improvement of forest productivity and quality 1.2. Enhancement of production of quality forest seed and planting material 1.3. Expansion of forested areas through establishment of new forests and plantations 1.4. Adaptive forest management and planning in the context of climate change 1.5. Forest conservation and improvement of forest protection 1.6. Prevention of habitat degradation and erosion 1.7. Prevention of illegal activities in the forestry sector 1.8. Sustainable management of forests and forest land according to FSC principles and other standards 1.9. Improvement of integrated forest management planning systems 1.10. Development of spatial information systems in forestry and hunting
2.	Improve multifunctional (economic, ecological, and social) benefits from forestry, including better living conditions in rural areas	2.1. Increase productive employment in forestry in rural areas 2.2. Increase valorization of main forest products 2.3. Greater utilization and economic valorization of other (non-timber) forest products (NTFPs) and ecosystem services 2.4. Development of ecotourism in forest areas 2.5. Improvement of wildlife management 2.6. Increase income from hunting and hunting tourism
3.	Preserve biodiversity and increase areas of protected forests and other forests of special purpose	3.1. Inventory and monitoring of plant and animal habitats and identification of endangered species and habitats 3.2. Identification of endangered habitats and species in forest ecosystems 3.3. Expansion and management development of protected areas and special-purpose forests
4.	Increase new and additional financial resources from all sources for sustainable forest management and strengthen education, scientific-technical cooperation, and partnerships	4.1. Sustainable utilization of forest resources 4.2. Technical and technological aspects of forest utilization 4.3. Recovery and economic revitalization of forestry 4.4. Modernization of the forestry sector focusing on green and circular bioeconomy 4.5. Education and training of forestry and hunting personnel 4.6. Strengthening research capacities in forestry and hunting
5.	Ensure sustainable forest management, including public promotion, international agreements, collaboration, coordination, coherence, and synergy with sectors, partner organizations, and relevant forestry stakeholders at all levels	5.1. Strengthening public awareness of forestry, hunting, climate change impacts, and other forest management risks 5.2. Collaboration and synergy with the wood industry and other sectors 5.3. Improvement of institutional and legislative framework for forestry development 5.4. Coordination of activities at national and international levels

SG 1. Increase forest cover, productivity, and quality, including enhancing contributions to global climate change mitigation efforts			
Priority	**Indicators**	**Baseline value**	**Target value**
1.1. Conservation and improvement of forest productivity and quality	Area by forest category (ha)	(CF) 421,125 (DHF) 15,195	(CF) 370,000 (DHF) 13,000
	Volume and mean annual increment of HFNR (m³/ha)	324 9,05	350 9,30
Measures for implementation			
1.1.1. Improvement, development, and adequate application of forest management systems in HFNR 1.1.2. Reclamation of degraded high forests and coppice forests 1.1.3. Improvement of the condition and management of forest plantations			
1.2. Enhancement of production of quality forest seed and planting material	Quantity of produced quality planting material	3,000,000	5,000,000
Measures for implementation			
1.2.1. Definition of provenance regions and revision of seed facilities 1.2.2. Establishment of seed plantations, provenance and clone tests for major tree species, considering climate change impacts 1.2.3. Quality control and trade of forest reproductive material according to international practices 1.2.4. Production of planting material in line with the guidelines defined in the “Forest Planting Material Assortment” for PFE, with long-term obligations between producers and buyers			
1.3. Expansion of forested areas through establishment of new forests and plantations	Area of forest plantations (ha)	50,000	55,000
Measures for implementation			
1.3.1. Afforestation of bare lands according to recommendations of the “Master Plan for Afforestation of Bare Lands in Republic of Srpska” 1.3.2. Plantations of fast-growing species, promoting native and controlled use of non-native species 1.3.3. Consideration of ecological and social (functional) aspects in species selection for new forests, using innovative methods 1.3.4. Production and transfer of planting material in accordance with expected habitat and climate changes			
1.4. Adaptive forest management and planning in the context of climate change	Area of forests managed adaptively for climate change (ha)	0	100,000
Measures for implementation			
1.4.1. Alignment of regulations on the application of close-to-nature forest management and its implementation in operational plans 1.4.2. Revision of objectives, measures, and plans for active adaptive forest management and application of close-to-nature principles			
1.5. Forest conservation and improvement of forest protection	Area affected by negative biotic and abiotic factors (m^3)	260,000	50,000
	Area of forests affected by fires (ha)	10,000	0
Measures for implementation			
1.5.1. Monitoring of forest health using international methodologies (ICPF) at Level I and establishing Level II monitoring 1.5.2. Strengthening capacities for preventive fire protection and vulnerability mapping 1.5.3. Strengthening capacities for fire suppression and management 1.5.4. Monitoring forest condition trends using remote sensing 1.5.5. Integrated forest protection and biological control using modern material and technical means			
1.6. Prevention of forest habitat degradation	Area of forests and forest land extremely threatened by mines, erosion, and floods (ha)	260,000	100,000
Measures for implementation			
1.6.1. Identification of potentially threatened sites by mines, erosion, and floods; establishment and maintenance of protective (linear) forests using Nature-based Solutions (NbS)			
1.7. Prevention of illegal activities in the forestry sector	Volume of illegally cut trees (m³/year)	10,142	0
	Area of illegally cleared forest (ha/year)	400	0
Measures for implementation			
1.7.1. Control of forest management, development of a preventive protection system against illegal activities, and prevention of land and forest usurpation			
1.8. Sustainable management of forests and forest land according to FSC and other standards	Area of certified forests (ha)	981,940	1,289,124
Measures for implementation			
1.8.1. Compliance with sustainable forest management principles according to MCPFE, FSC, and other standards, including certification of private forests			

1.9. Improvement of integrated forest management planning systems	Adoption and implementation of a modern integrated forest management planning system	0	1
Measures for implementation			
1.9.1. Development of methodologies for creating forest management frameworks for state-owned and private forests			
1.9.2. Definition of basic planning units (planning levels) for state-owned forests			
1.9.3. Application of remote sensing and modern tools in forest inventories			
1.9.4. Development and implementation of permanent forest inventory methodologies on large areas (NFI)			
1.9.5. Improvement of project design for forestry operations (implementation projects)			
1.10. Development of spatial information systems in forestry and hunting	Spatial information systems in forestry and hunting	0	2
Measures for implementation			
1.10.1. Development of modern integrated spatial information systems in forestry			
1.10.2. Development of modern integrated spatial information systems in hunting			
1.10.3. Definition of protocols (procedures) for data exchange between forestry and hunting IS and other IS			
1.10.4. Definition of reporting protocols on forest conditions in Republika Srpska according to international organizations			

SG2. Improve multifunctional (economic, ecological, and social) benefits from forestry, including better living conditions in rural areas			
Priority	**Indicators**	**Baseline value**	**Target value**
2.1. Increase productive employment in forestry in rural areas	Number of employees in forestry institutions and enterprises	4,961	3,500
Measures for implementation			
2.1.1. Rationalization of the number of employees in forestry			
2.1.2. Diversification of activities in public forestry enterprise			
2.1.3. Linking private forest owners into clusters or other associations at the sectoral level			
2.2. Increase valorization of main forest products	Quantity of produced high-value timber (m^3/year)	200,000	300,000
Measures for implementation			
2.2.1. Improvement of timber processing and preparation according to standards and market valorization			
2.3. Increased utilization and economic valorization of other non-wood forest products (NWFP) and ecosystem services	Value of purchased NWFP (BAM)	5,000,000	10,000,000
	Investments in storage and processing capacities for NWFP (BAM)	300,000	2,000,000
Measures for implementation			
2.3.1. Increase utilization of wild medicinal plants, edible mushrooms, and other non-wood forest products			
2.3.2. Organize training for collectors on good collection practices			
2.3.3. Increase the number of NWFP collection centers and equip them with modern facilities			
2.3.4. Increase the level of processing of NWFP before export			
2.4. Development of eco-tourism in forest areas	Forest and forest land area allocated for eco-tourism services (ha)	25,000	50,000
Measures for implementation			
2.4.1. Collaborative linking of forest holdings and eco-tourism service providers			
2.4.2. Creation and development of new and existing eco-tourism products based on forest ecosystems			
2.4.3. Functional arrangement of forest areas for recreation and tourism purposes			
2.4.4. Strengthen partnerships between forest holdings and eco-tourism service providers			
2.5. Improvement of wildlife management	Hunting ground area (ha)	2,464,176	2,464,176
	Wildlife population	250,000	280,000
Measures for implementation			
2.5.1. Improve preparation of planning documentation and wildlife records			
2.5.2. Increase wildlife populations and establish optimal age and sex structures			
2.5.3. Reintroduction of deer species			
2.5.4. Prevention of wildlife damage			
2.5.5. Construction of hunting facilities and intensive breeding and protection of wildlife			
2.6. Increase income from hunting and hunting tourism	Total income from hunting and hunting tourism (BAM)	8,000,000	10,000,000
Measures for implementation			
2.6.1. Promote hunting resources and intensify commercial hunting			
2.6.2. Implement CITES Convention procedures			
2.6.3. Conduct concession procedures for commercial hunting grounds			
2.6.4. Implement annual hunting plans in commercial, special, and sport-recreational hunting grounds			
2.6.5. Promote hunting resources and intensify commercial hunting			

SG 3. Preserve biodiversity and increase areas of protected forests and other forests of special purpose			
Priority	**Indicators**	**Baseline value**	**Target value**
3.1. Inventory and monitoring of habitats of plant and animal species and identification of endangered species and habitats	Number of species under permanent monitoring	0	30
	Number of habitats under permanent monitoring	0	5
	Integration of information into the forestry IS (%	0	100

Measures for implementation

3.1.1. Identification of habitat types within forest ecosystems according to the EUNIS classification
3.1.2. Mapping habitat types up to EUNIS Level 2
3.1.3. Monitoring selected key species and habitats
3.1.4. Inventory and monitoring of invasive species
3.1.5. Monitoring biodiversity status for adaptation and mitigation of climate change impacts
3.1.6. Inventory and conservation of genetic resources in accordance with the Genetic Resource Conservation Program

Priority	Indicators	Baseline value	Target value
3.2. Identification of endangered habitats and species in forest ecosystems	Area of identified rare, endemic, internationally significant, protected, and endangered plant and animal species and habitats (ha)	27,000	200,000

Measures for implementation

3.2.1. Identification of potential forest areas suitable for inclusion in the Ecological Network
3.2.2. Identification of rare, endemic, internationally significant, protected, and endangered plant and animal species and habitats
3.2.3. Identification of potential special-purpose forests and forests of high conservation value

Priority	Indicators	Baseline value	Target value
3.3. Increase area and develop management of protected areas and special-purpose forests	Area of protected areas and special-purpose forests (ha)	75,000	160,000

Measures for implementation

3.3.1. Designation and proclamation of special-purpose forests
3.3.2. Establishment of a management system for special-purpose forests through development of management plans and forest management programs (FMP)
3.3.3. Collaboration with nature protection and spatial planning sectors in the designation and registration of protected area
3.3.4. Management of Invasive Species

SG 4. Increase new and additional financial resources from all sources for sustainable forest management and strengthen education, scientific-technical cooperation, and partnerships			
Priority	**Indicators**	**Baseline value**	**Target value**
4.1. Sustainable use of forest resources	Realized annual allowable cut (AAC) in relation to the planned value (%)	85	100
	Total length of forest truck roads (km)	8,239.97	8,805.65
	Quantity of forest woody biomass for energy (m^3)	6,000	30,000

Measures for implementation

4.1.1. Support to increasing the volume of production (annual allowable cut) and monitoring the quality of production processes
4.1.2. Support to improving the existing network of forest roads (design, construction, and reconstruction of forest truck roads)
4.1.3. Preparation of forest accessibility development programs at the level of Forest Management Areas and for forests in private ownership
4.1.4. Support to the preparation of programs for the utilization of forest biomass at the level of Forest Management Areas, as well as for forests in private ownership

Priority	Indicators	Baseline value	Target value
4.2. Technical and technological development of forest utilization	Number of modern work equipment for forest utilization operations	6	15

Measures for implementation

4.2.1. Increase investments (procurement) and subsidies for the modernization of work equipment in forestry
4.2.2. Increase investments (procurement) in new work equipment to replace depreciated equipment

Priority	Indicators	Baseline value	Target value
4.3. Recovery and economic revitalization of the forestry sector	Invested international funds for forestry development (BAM)	7,000,000 (from 2013)	67,000,000
	Number of implemented international projects for forestry development	3	7

Measures for implementation

4.3.1. Mobilization of existing and additional financial resources, with increased access to financial resources for economic and other entities in the forestry sector
4.3.2. Continuous monitoring of regional and global supply and demand trends
4.3.3. Strengthening capacities for attracting financial resources from domestic and international sources

4.4. Modernization of the forestry sector with a focus on green and circular bioeconomy	Investments for modernization and development of forestry (BAM/year)	4,000,000	35,000,000
	Number of implemented projects focused on green and circular bioeconomy	0	10

Measures for implementation

4.4.1. Improvement of efficiency and effectiveness of business entities in the forestry sector
4.1.3. Valorization of the total value of forest ecosystems
4.4.3. Harmonization of the organizational structure of business systems in forestry
4.4.4. Diversification of activities and increase of investments in the forestry sector
4.4.5. Application of the marketing business concept with the development of entrepreneurship

4.5. Education and training of human resources in forestry and hunting	Number of scientific and professional conferences held (annually)	5	10
	Existence of a specialized secondary forestry school	0	1

Measures for implementation

4.5.1. Capacity building of forestry and hunting personnel through the development of a lifelong learning system
4.5.2. Establishment of a specialized secondary forestry school and strengthening of higher education institutions
4.5.3. Establishment of a professional center for vocational training of forestry workers

4.6. Strengthening research capacities in the field of forestry and hunting	Existence of a scientific research center / teaching base	0	1
	Number of scientific research staff in forestry and hunting	45	55
	Number of permanent sample plots	0	30

Measures for implementation

4.6.1. Establishment of teaching and research bases and a network of permanent sample plots
4.6.2. Training of staff for the preparation and management of projects, particularly international projects
4.6.3. Support to fundamental and applied research related to forest adaptation to climate change and other ecological disturbances and risks
4.6.4. Preparation of a framework plan for financing research and development with an emphasized need to address acute practical problems
4.6.5. Strengthening research capacities and achieving better results of applied development programs and scientific research projects

SG 5. Ensure sustainable forest management, including public promotion, international agreements, collaboration, coordination, coherence, and synergy with sectors, partner organizations, and relevant forestry stakeholders at all levels

Priority	Indicators	Baseline value	Target value
5.1. Strengthening public awareness of forestry, hunting, the impacts of climate change, and other forest management risks	Number of promotional events held (annually)	2	5

Measures for implementation

5.1.1. Establishment of a plan and a unified public information system in the forestry and hunting sector related to climate change mitigation and other ecological disturbances
5.1.2. Promotion through media, scientific and professional conferences, educational institutions, tourism organizations, and scientific and professional institutions
5.1.3. Preparation of a plan and implementation of activities to raise public awareness of forests as a public good and the importance of implementing preventive measures
5.1.4. Promotion of the importance of sustainable game management and hunting tourism

5.2. Cooperation and synergy with the wood processing industry and other sectors	Degree of harmonization of sectoral laws and by-laws with the aim of more realistic planning of sustainable development (%)	70	100
	Area of certified private forests (%)	0	60

Measures for implementation			
5.2.1. Harmonization of operations with the principles and criteria of standards in forestry and related sectors			
5.2.2. Alignment of wood processing industry capacities with forestry potentials, long-term contracting of raw materials, contract implementation, regular updating, and consistent application of regulations governing relations between forestry and wood processing			
5.2.3. Sale of roundwood to domestic wood processors through public bidding (traditional and e-auctions)			
5.2.4. Development of intersectoral cooperation and strengthening coordination between the legislative and executive authorities of Republika Srpska			
5.2.5. Conservation of forest ecosystems in partnership with private forest owners			
5.2.6. Development of quality systems in forestry			
5.2.7. Forestry support to strengthening the competitiveness of the wood processing industry in domestic and international markets			
5.3. Improvement of the institutional and legislative environment for forestry development	Number of newly adopted regulations for forestry development	2	5
Measures for implementation			
5.3.1. Improvement of the legislative framework in the sector			
5.3.2. Improvement of institutional infrastructure and strengthening management capacities in the forestry sector			
5.4. Coordination of activities at national and international levels	Degree of compliance with international regulations (%)	30	100
Мјере за реализацију приоритета			
5.4.1. Improvement of legal and technical regulations in line with international regulations			
5.4.2. Establishment and strengthening of forest ecosystem management in accordance with international directives			

4. **KEY STRATEGIC PROJECTS**

1. Cultivation, protection, and forest management planning for the sustainable development of forest ecosystems in Republika Srpska
2. Diversification of activities and improvement of employment to enhance forest functions in rural areas of Republika Srpska
3. Biodiversity conservation and designation of special-purpose forests
4. Sustainable use of forests and modernization of forestry work equipment
5. Construction of forest infrastructure (forest roads and communication networks)
6. Bioeconomy in forestry
7. Development of forestry and hunting education, research, and scientific capacity
8. Promotion of forestry, strengthening public awareness, and development of cross-sectoral cooperation
9. Harmonization of legislation and development of organizational and management mechanisms in forestry

5. REVIEW OF INTERNAL AND INTER-DOCUMENT CONSISTENCY OF STRATEGIC DOCUMENTS

Key domestic legislation and legal regulations with which the Strategy is aligned

The Strategy is aligned with the following key domestic legislation and legal regulations:

- Forest Law (2008)
- Hunting Law (2009)
- Nature Protection Law (2024)
- Environmental Protection Strategy of Republika Srpska (2022)
- Spatial Plan of Republika Srpska (2013), which is particularly highlighted in the Regulation on the Preparation of Strategic Documents in Republika Srpska.

Accordingly, the Strategy specifically supports the objectives defined in the Spatial Plan of Republika Srpska:

- Maintain existing forest lands – SC1 (Strategic Component 1)
- Afforestation of degraded lands, clearings, and less productive lands – SG1
- Improvement of forest quality and conversion of seedling/young forests into higher-yield/managed forest types – SG1
- Enhancement of forest health and vitality – SG1
- Multifunctional use of forests and forest land – SG2
- Contribution of forests and forest habitats to ecosystem stability and biodiversity enhancement – SG3
- Application of conventions, standards, and norms for forest protection and development; legal reforms; consultation of sectoral strategies, instruments, measures, and policies – SG4
- Coordination across sectors, strengthening public awareness of forests, and participation of competent institutions and local self-governments in forestry development – SG5

Position of Republika Srpska forestry in relation to international binding and non-binding initiatives

By concluding and ratifying international agreements, Republika Srpska / Bosnia and Herzegovina confirms its commitment to align domestic legislation and administrative arrangements in the forestry sector with international legislation and the EU acquis. In addition to alignment with domestic legislation, the Strategy is consistent with numerous bilateral agreements**,** international conventions, and protocols ratified by BiH, which, although primarily addressing other areas, are closely linked to forestry, especially in environmental protection. Republika Srpska / BiH holds EU candidate status, but negotiations, including chapters 11–13, have not yet commenced.

Adaptation to the New EU Forest Strategy

Based on the proposal of the New EU Forest Strategy 2030 by the European Commission, the European Parliament adopted on 16 July 2021 in Brussels a Resolution on the EU Forest Strategy, providing general guidelines for the EU forestry program, which should be adapted by:

- Member States' forestry programs
- Candidate and potential candidate countries' forestry programs

The key principles are:

- Support socio-economic functions of forests for thriving rural areas and promote bioeconomy based on forests within sustainability limits
- Protection, restoration, and expansion of EU forests to combat climate change, halt biodiversity loss, and ensure resilient, multifunctional forest ecosystems
- Strategic forest monitoring, reporting, and data collection
- Strong research and innovation programs to improve forest knowledge
- Inclusive and consistent EU framework for forest management
- Strengthening implementation and enforcement of existing EU legal frameworks

Alignment with the United Nations Sustainable Development Goals (SDGs)

The Strategy refers to 17 UN Sustainable Development Goals (SDGs, OECD 2014; SDGs 2015), and the ones most relevant to forestry and related sectors are:

- SDG 3: Ensure healthy lives and promote well-being for all ages
- SDG 6: Ensure availability of clean water and sanitation for all
- SDG 7: Ensure access to affordable, reliable, sustainable, and modern energy for all
- SDG 9: Build resilient infrastructure, promote sustainable industrialization, and foster innovation
- SDG 12: Ensure sustainable consumption and production patterns
- SDG 13: Take urgent action to combat climate change and its impacts
- SDG 15: Sustainably manage forests, combat desertification, halt land degradation, and stop biodiversity loss
- SDG 17: Strengthen global partnerships for sustainable development

Through responsible and quality forest management, the Strategy aims to:

- Enhance biodiversity (SDG 15)
- Generate income for poverty reduction (SDG 1)
- Provide forest products, fruits, and game to reduce hunger (SDG 2)
- Supply medicinal plants (SDG 3)
- Ensure drinking water and irrigation water (SDG 6)
- Facilitate carbon sequestration and storage (SDG 13)

International agreements ratified by BiH

Atmosphere, nature, and environment:

- UN Framework Convention on Climate Change, Rio de Janeiro, 1992
- Convention on Biological Diversity, 1992
- Convention on Long-Range Transboundary Air Pollution, Geneva, 1979
- Protocols under the Convention on Long-Range Transboundary Air Pollution
- Vienna Convention for the Protection of the Ozone Layer, Vienna, 1985
- Montreal Protocol on Substances that Deplete the Ozone Layer, Montreal, 1987
- Ramsar Convention on Wetlands of International Importance, 1971
- UNESCO Convention for the Protection of World Cultural and Natural Heritage, Paris, 1972
- International Convention for the Protection of Birds, Paris, 1950
- International Plant Protection Convention, Rome, 1951
- European Organization for the Protection of Nature, Paris, 1951
- Convention on International Trade in Endangered Species (CITES), Washington 1973, Bonn 1979
- Kyoto Protocol, Kyoto, 1997 – ratified 22 April 2008
- Bern Convention on the Conservation of European Wildlife and Natural Habitats, 1979
- Cartagena Protocol on Biosafety, 2000
- Helsinki Convention on Transboundary Watercourses and International Lakes, 1992
- Espoo Convention on Environmental Impact Assessment in a Transboundary Context, 1991
- Kiev Protocol on Strategic Environmental Assessment, 2005
- Aarhus Convention on Access to Information, Public Participation, and Access to Justice in Environmental Matters, 1998

Land and water:

- Protocol on Specially Protected Areas and Biological Diversity, Monaco, 1996
- Danube River Protection and Sustainable Use Convention, Sofia, 1994
- UN Convention to Combat Desertification in Countries Experiencing Drought and/or Desertification, especially in Africa, Paris, 1994
- Declaration on Green Economy and Sustainable Development of Southeast European Countries, Belgrade, 2013
- Sofia Declaration, 2020, including the Economic and Investment Plan for the Western Balkans and Guidelines for implementing the Green Agenda

Obligations of Republika Srpska/BiH under EU legislation arising after acquiring candidate status for full EU membership

Acquiring EU candidate status and the opening of negotiations for full membership represents a key milestone on Republika Srpska/BiH's path toward the European Union. One of the obligations along this path is the harmonization of its national legislation with the EU acquis. In this regard, forestry legislation and administrative arrangements in Republika Srpska need to be aligned with EU directives and regulations. Fulfilling this obligation implies the incorporation of the content of binding secondary EU law as well as other sources of EU law into domestic legislation.

- Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora,
- Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds(codified version),
- Council Directive 1999/105/EC of 22 December 1999 on the marketing of forest reproductive material,
- Council Regulation (EEC) No 3254/91 of 4 November 1991 prohibiting the use of leghold traps in the Community and the introduction into the Community of pelts and manufactured goods of certain wild animal species originating in countries which catch them by means of leghold traps or trapping methods which do not meet international humane trapping standards,
- Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC)401/2009 and (EU)2018/1999 ('European Climate Law')
- EU Strategy on Adaptation to Climate Change,
- European Environment Agency (EEA) and European Environment Information and Observation Network (Eionet) Strategy 2021–2030,
- EU – Circular Economy Action Plan For a cleaner and more competitive Europe,
- REGULATION (EU)2021/783 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 29 April 2021 establishing a Programme for the Environment and Climate Action (LIFE), and repealing Regulation (EU) No 1293/2013,
- Commission Regulation (EC) No 1737/2006 of 7 November 2006 laying down detailed rules for the implementation of Regulation (EC) No 2152/2003 of the European Parliament and of the Council concerning monitoring of forests and environmental interactions in the Community,
- Council Directive 1999/105/EC of 22 December 1999 on the marketing of forest reproductive material,
- Regulation (EU) 2023/1115 of the European Parliament and of the Council of 31 May 2023 on the making available on the Union market and the export from the Union of certain commodities and products associated with deforestation and forest degradation and repealing Regulation (EU) No 995/2010,
- Regulation (EU) 2024/1991 of the European Parliament and of the Council of 24 June 2024 on nature restoration and amending Regulation (EU) 2022/869.
- Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions - Addressing the challenges of deforestation and forest degradation to tackle climate change and biodiversity loss {SEC(2008) 2618} {SEC(2008) 2619} {SEC(2008) 2620},
- Regulation (EU) No 995/2010 of the European Parliament and of the Council of 20 October 2010 laying down the obligations of operators who place timber and timber products on the market,
- Decision No 1386/2013/EU of the European Parliament and of the Council of 20 November 2013 on a General Union Environment Action Programme to 2020 'Living well, within the limits of our planet',
- Commission Delegated Regulation (EU) No 363/2012 of 23 February 2012 on the procedural rules for the recognition and withdrawal of recognition of monitoring organisations as provided for in Regulation (EU) No 995/2010 of the European Parliament and of the Council laying down the obligations of operators who place timber and timber products on the market,
- Commission Implementing Regulation (EU) No 607/2012 of 6 July 2012 on the detailed rules concerning the due diligence system and the frequency and nature of the checks on monitoring organisations as provided for in Regulation (EU) No 995/2010 of the European Parliament and of the Council laying down the obligations of operators who place timber and timber products on the market,
- Commission Regulation (EC) No 1024/2008 of 17 October 2008 laying down detailed measures for the implementation of Council Regulation (EC) No 2173/2005 on the establishment of a FLEGT licensing scheme for imports of timber into the European Community.

Overview of Relevant Strategic Documents at the Level of the Republika Srpska

Development Direction/Objective/Measure from Strategic Document at the Level of Republika Srpska	
Environmental Protection Strategy of Republika Srpska (2022–2032)	**Linked Strategic Objective from the Forestry Development Strategy of Republika Srpska (2026–2035)**
Strategic Objective 3: Maintenance and enhancement of biodiversity and ecosystem protection	**Forestry Objective 3:** Conservation of biodiversity, expansion of protected forests, and other forests with special purpose
Strategic Objective 4: Improvement of climate change mitigation and adaptation and air quality enhancement	**Forestry Objective 1:** Increase in forest cover, productivity, and quality, contributing to global climate change mitigation efforts
Strategic Objective 6: Ensuring sustainable use of natural resources	**Forestry Objective 2:** Enhancement of multifunctional (economic, ecological, and social) benefits of forestry, including improving living conditions in rural areas
Program for Harmonization of Republika Srpska Legislation with EU Environmental Acquis	**Linked Strategic Objective from the Forestry Development Strategy of Republika Srpska (2026–2035)**
Sector 5: Air Quality and Climate Change	**Objective 1:** Increase forest cover, productivity, and quality and enhance contribution to global climate mitigation
Sector 8: Nature Protection	**Objective 3:** Conservation of biodiversity, expansion of protected forests, and other forests with special purpose
Sustainable development goals, SDG	**Linked Strategic Objective from the Forestry Development Strategy of Republika Srpska (2026–2035)**
Objective 7: Ensure access to affordable, reliable, sustainable, and modern energy for all	**Forestry Objective 2:** Enhancement of multifunctional benefits of forestry, including improving living conditions in rural areas
Objective 13: Take urgent action to combat climate change and its impacts	**Forestry Objective 1:** Increase forest cover, productivity, and quality, contributing to climate change mitigation
Objective 15: Sustainably manage forests, combat desertification, halt land degradation, and prevent biodiversity loss	**Forestry Objectives:** Increase forest cover, productivity, and quality; Enhance multifunctional benefits of forestry, including rural livelihoods; Conservation of biodiversity and expansion of protected forests
UN Strategic Plan for Forests (2017–2030)	**Linked Strategic Objective from the Forestry Development Strategy of Republika Srpska (2026–2035)**
Objective 1: Reduce global forest loss through sustainable forest management, including protection, restoration, afforestation, and contributions to climate change mitigation	**Strategic Objective 1:** Increase forest cover, productivity, and quality, while enhancing contribution to global climate change mitigation efforts
Objective 2: Promote economic, social, and environmental benefits based on forests, including livelihoods of forest-dependent communities	**Strategic Objective 2:** Enhance the multifunctional benefits of forestry, including improving living conditions in rural areas
Objective 3: Significantly expand protected forest areas globally and increase sustainably sourced forest products	**Strategic Objective 3:** Conserve biodiversity, expand protected forests, and other forests with special purpose
Objective 4: Mobilize new and additional financial resources for sustainable forest management and strengthen scientific and technical cooperation	**Strategic Objective 4:** Increase new and additional financial resources from all sources for sustainable forest management, and strengthen education, scientific-technical cooperation, and partnerships

Objective 5: Promote frameworks for sustainable forest management, including UN instruments and contribution to Agenda 2030	**Strategic Objective 5:** Ensure sustainable forest management, including public promotion, international agreements, cooperation, coordination, coherence, and synergy with sectors, partner organizations, and relevant stakeholders at all levels
Objective 6: Strengthen cooperation, coordination, coherence, and synergies on forest-related issues across all levels	**Strategic Objective 5:** Ensure sustainable forest management, including public promotion, international agreements, cooperation, coordination, coherence, and synergy with sectors, partner organizations, and relevant stakeholders at all levels

New EU Forestry Development Strategy (2022–2030)	Linked Strategic Objective from the Forestry Development Strategy of Republika Srpska (2026–2035)
Strategic Objective 1: Support the socio-economic functions of forests for rural development and promote forest-based bioeconomy within sustainability limits	**Strategic Objective 2:** Enhance the multifunctional benefits of forestry, including improving living conditions of the population in rural areas
Strategic Objective 2: Promote non-wood forest-based bioeconomy, including eco-tourism	**Strategic Objective 2:** Enhance the multifunctional benefits of forestry, including improving living conditions of the population in rural areas
Strategic Objective 3: Protect, restore, and increase EU forest cover to combat climate change, conserve biodiversity, and develop resilient and multifunctional forest ecosystems	**Strategic Objective 1:** Increase forest cover, productivity, and quality of forests and increase contribution to global efforts to mitigate climate change
Strategic Objective 4: Strategic forest monitoring, reporting, and data collection	**Strategic Objective 1:** Increase forest cover, productivity, and quality of forests and increase contribution to global efforts to mitigate climate change
Strategic Objective 5: Strengthen research and innovation programs to improve forest knowledge	**Strategic Objective 4:** Increase new and additional financial resources from all sources for sustainable forest management and strengthen education, scientific-technical cooperation, and partnerships
Strategic Objective 6: Inclusive and coherent EU framework for forest management	**Strategic Objective 5:** Sustainable forest management, including public promotion, international agreements, cooperation, coordination, coherence, and synergy with sectors, partner organizations, and relevant actors connected to forestry at all levels
Strategic Objective 7: Strengthen implementation and enforcement of existing EU legislation	**Strategic Objective 5:** Sustainable forest management, including public promotion, international agreements, cooperation, coordination, coherence, and synergy with sectors, partner organizations, and relevant actors connected to forestry at all levels

6. INDICATIVE FINANCIAL FRAMEWORK

SG 1: Increase forest cover, productivity and forest quality, and increase the contribution to global efforts to mitigate climate change

	Priorities and Measures	Financing Structure (%)*	Total (BAM)	Budgetary institutions (BAM)	Other sources (BAM)	Financier
		100.0	167,765,000	83,362,000	84,403,000	
1.1.	**Conservation and Improvement of Forest Productivity and Quality**	19.7	33,000,000	10,100,000	22,900,000	
1.1.1.	Improvement, development, and adequate application of management systems in high forests with natural regeneration based on close-to-nature forest management	3.0	5,000,000	1,500,000	3,500,000	BRS; OS (PEF)
1.1.2.	Reclamation of highly degraded forests and conversion of coppice forests	8.9	15,000,000	6,000,000	9,000,000	BRS; PEF; CR
1.1.3.	Improvement of the condition and management of forest plantations	7.7	13,000,000	2,600,000	10,400,000	BRS; PFE; OS
1.2.	**Enhancement of the production of quality forest seed and planting material**	1.3	2,200,000	180,000	2,020,000	
1.2.1.	Definition of provenance regions and revision of seed facilities	0.2	300,000	75,000	225,000	BRS; IPA; OS
1.2.2.	Establishment of seed plantations, provenance and clonal tests for the most important tree species, taking into account climate change aspects	0.1	200,000	80,000	120,000	BRS; PFE; IPA
1.2.3.	Quality control and trade of forest reproductive material in accordance with international practices	0	50,000	25,000	25,000	BRS; PFE
1.2.4.	Production of planting material in accordance with guidelines defined in the Assortment of Forest Planting Material for the managements of FEF “Forests Republic of Srpska”	1.0	1,650,000	0	1,650,000	PFE; CRD
1.3.	**Increase of forested areas through establishment of new forests and plantations**	66.2	111,100,000	66,300,000	44,800,000	
1.3.1.	Afforestation of bare lands in accordance with the recommendations of the “Master Plan for Afforestation of Bare Lands of the Republic of Srpska,” respecting planting density recommendations based on site conditions and species characteristics	59.6	100,000,000	60,000,000	40,000,000	BRS; IPA; CRD; ЈПШ
1.3.2.	Plantations of fast-growing species with promotion of native species and controlled use of non-native species	6.0	10,000,000	6,000,000	4,000,000	BRS; IPA; CRD
1.3.3.	Ecological and social (functional) aspects considered in species selection for the establishment of new forests, including innovative approaches	0.6	1,000,000	300,000	700,000	BRS; PFE; CRD
1.3.4.	Production and transfer of planting material in accordance with expected changes in site conditions and climate	0.1	100,000	0	100,000	IPA; CRD

1.4.	**Adaptive planning of forest management in the context of climate change**	1.3	2,100,000	700,000	1,400,000	
1.4.1.	Implementation of close-to-nature forest management into operational plans	1.2	2,000,000	600,000	1,400,000	BRS; OS (PFE, CRD, IPA)
1.4.2.	Revision of objectives, measures, and plans for active adaptive forest management	0.1	100,000	100,000	0	BRS
1.5.	**Forest preservation and enhancement of forest protection**	6.3	10,605,000	3,632,000	6,973,000	
1.5.1.	Monitoring the health status of forests according to international methodology – ICP Forests, for Level I and establishment of Level II	0.7	1,245,000	498,000	747,000	BRS; PFE; IPA; CRD
1.5.2.	Strengthening capacities for preventive fire protection	2.3	3,840,000	1,536,000	2,304,000	BRS; PFE; CRD
1.5.3.	Strengthening capacities for firefighting and fire management	0.9	1,500,000	150,000	1,350,000	BRS; PFE; GR; CRD
1.5.4.	Monitoring the status and trends of forest conditions using remote sensing	0.5	800,000	160,000	640,000	BRS; PFE; CRD
1.5.5.	Integrated forest protection and biological control methods through the application of modern material-technical means for forest protection	1.9	3,220,000	1,288,000	1,932,000	BRS; PFE; CRD; OS
1.6.	**Prevention of habitat degradation**	0.7	1,200,000	360,000	840,000	
1.6.1.	Identification and protection of potentially endangered sites from erosion and torrents, establishment and maintenance of riparian protection forests	0.7	1,200,000	360,000	840,000	BRS; OS
1.7.	**Prevention of illegal activities in the forestry sector**	0.6	1,000,000	0	1,000,000	
1.7.1.	Control of forest management, development of a preventive system against illegal activities, and prevention of usurpations	0.6	1,000,000	0	1,000,000	PFE; OS
1.8.	**Sustainable forest and forest land management according to FSC principles and other standards**	0.6	1,000,000	200,000	800,000	
1.8.1.	Compliance with sustainable management principles according to FSC and other standards	0.6	1,000,000	200,000	800,000	BRS; CRD
1.9.	**Improvement of the integrated forest management planning system**	3.0	5,060,000	1,530,000	3,530,000	
1.9.1.	Development of methodologies for forest management planning for state-owned and privately-owned forests	0.3	500,000	150,000	350,000	BRS; PFE; CRD
1.9.2.	Definition of basic planning units in forestry for state-owned forests	0.1	210,000	105,000	105,000	BRS; PFE
1.9.3.	Application of remote sensing (and modern instruments) in forest inventory	0.4	750,000	225,000	525,000	BRS; PFE; CRD
1.9.4.	Development of methodology and implementation of permanent forest inventory on large areas (NFI)	2.1	3,500,000	1,050,000	2,450,000	BRS; PFE; IPA; CRD
1.9.5.	Improvement of project preparation for implementation of forestry works (implementation projects)	0.1	100,000	0	100,000	PFE

1.10.	**Development of spatial information systems in forestry and hunting**	0.3	500,000	360,000	140,000	
1.10.1.	Development of modern integrated spatial information systems in forestry	0.1	200,000	200,000	0	BRS
1.10.2.	Development of modern integrated spatial information systems in hunting	0.1	100,000	100,000	0	BRS
1.10.3.	Definition of protocols for data exchange between forestry information systems and other spatial and non-spatial information systems	0.1	100,000	30,000	70,000	BRS; OS
1.10.4.	Definition of protocols (procedures) for reporting on the state of forests in Republic of Srpska to international organizations	0.1	100,000	30,000	70,000	BRS; OS

MAFWM – Ministry of Agriculture, Forestry and Water Management; PFE – Public Forestry Enterprise; IF – International Funds; IO – International Organizations; OS – Other Sources; MTT – Ministry of Trade and Tourism; MSTDHE – Ministry of Scientific and Technological Development and Higher Educations; PEF – Public Enterprise Forests; SPFF – Special Purpose Funds for Forests; PFO – Private Forest Owners; HA – Hunting Associations; MFRS – Ministry of Finance of Republika Srpska; BRS – Budget of Republika Srpska; MEM – Ministry of Energy and Mining; WB – World Bank; HARS – Hunting Association of Republika Srpska; LC – Local Communities ; BAM – Convertible Mark; CRD – Credit; IPA – Instrument for Pre-accession Assistance; GR - Grants

SG 2: Enhancement of multifunctional (economic, ecological and social) benefits of forestry, including improvement of living conditions of the population in rural areas

	Priorities and Measures	Financing Structure (%)*	Total (BAM)	Budgetary institutions (BAM)	Other sources (BAM)	Financier
		100.0	25,950,000	3,580,000	22,370,000	
2.1.	**Increase of productive employment in forestry in rural areas**	44.1	11,450,000	260,000	11,190,000	
2.1.1.	Rationalization of the number of employees in forestry	0.4	100,000	0	100,000	PFE
2.1.2.	Diversification of activities of the Public Forestry Enterprise “Forests Republic of Sroska”	38.5	10,000,000	0	10,000,000	BRS; IPA; PFE; CRD; OS
2.1.3.	Networking of private forest owners into clusters or other associations at the sectoral level	0.2	50,000	0	50,000	OS
2.1.4.	Improvement of the social and labour-legal status of workers and strengthening gender equality in forestry	4.2	1,100,000	110,000	990,000	PFE; IPA; OS
2.1.5.	Incentivizing and engaging the rural population for the implementation of forestry works	0.4	100,000	50,000	50,000	BRS; IPA; OS
2.1.6.	Application and expansion of agroforestry practices and resolution of usurpations	0.4	100,000	100,000	0	BRS; Landowners
2.2.	**Increase of valorization of main forest products**	1.9	500,000	100,000	400,000	
2.2.1.	Improvement of bucking and preparation of assortments in accordance with standards and market valorization	1.9	500,000	100,000	400,000	BRS; PFE; OS
2.3.	**Greater utilization and economic valorization of other forest products and ecosystem services**	15.4	4,000,000	300,000	3,700,000	
2.3.1.	Increase in the utilization of wild medicinal plants, edible mushrooms, and other non-wood forest products	3.9	1,000,000	100,000	900,000	BRS; PFE; CRD; OS
2.3.2.	Organization of training for collectors of other forest products in the field of good collection practices	3.9	1,000,000	200,000	800,000	PFE; CRD; GR; OS
2.3.3.	Increase in the number of purchasing centers for non-wood forest products and their equipping with modern equipment	3.9	1,000,000	0	1,000,000	BRS; PFE; GR; CRD
2.3.4.	Increase in the level of processing of other forest products prior to export	3.9	1,000,000	0	1,000,000	BRS; PFE; CRD; OS
2.4.	**Development of various forms of eco-tourism in forest areas**	15.4	4,000,000	0	4,000,000	
2.4.1.	Interest-based networking of forest management units and providers of eco-tourism services	1.9	500,000	0	500,000	PFE; CRD; OS
2.4.2.	Creation of new and development of existing eco-tourism products and offers based on forest ecosystems	5.7	1,500,000	0	1,500,000	PFE; CRD; OS
2.4.3.	Functional arrangement of forest management areas for recreation and tourism purposes	7.7	2,000,000	0	2,000,000	IPA; CRD; OS
		6.5	1,700,000	820,000	880,000	

2.5.	**Improvement of game management**					
2.5.1.	Higher-quality preparation of planning documentation and records on game	0.4	100,000	20,000	80,000	BRS; PFE; Budgets for hunting grounds
2.5.2.	Increase in game population numbers and establishment of optimal sex and age structure	0.4	100,000	50,000	50,000	BRS; PFE; CRD
2.5.3.	Restocking of game	1.9	500,000	250,000	250,000	BRS; CRD
2.5.4.	Prevention of damage caused by game	1.9	500,000	250,000	250,000	BRS; CRD
2.5.5.	Construction of hunting facilities and intensive breeding and protection of game	1.9	500,000	250,000	250,000	BRS; CRD
2.6.	**Increase of revenues from hunting and hunting tourism**	16.6	4,300,000	2,100,000	2,200,000	
2.6.1.	Promotion of hunting resources and intensification of commercial hunting	0.4	100,000	50,000	50,000	BRS; PFE; OS
2.6.2.	Establishment of the implementation of the CITES Convention	0.4	100,000	0	100,000	BRS; PFE; IPA
2.6.3.	Implementation of concession procedures for commercial hunting grounds	0.4	100,000	50,000	50,000	BRS; CRD
2.6.4.	Implementation of annual game harvest plans in commercial, special-purpose, and sport-recreational hunting grounds	15.4	4,000,000	2,000,000	2,000,000	BRS; CRD

SG 3: Conservation of biodiversity, increase of protected forest areas and other forest areas of special purpose

	Priorities and Measures	Financing Structure (%)*	Total (BAM)	Budgetary institutions (BAM)	Other sources (BAM)	Financier
		100.0	5,750,000	2,135,000	3,615,000	
3.1.	**Inventory and monitoring of habitats of plant and animal species and identification of endangered species and habitat**	63.5	3,650,000	1,475,000	2,175,000	
3.1.1.	Identification of habitat types within forest ecosystems following the EUNIS classification	17.4	1,000,000	40,000	600,000	BRS; IPA; CRD
3.1.2.	Mapping of habitat types up to EUNIS Level 2	17.4	1,000,000	500,000	500,000	BRS; CRD
3.1.3.	Monitoring of selected key species and habitats	8.7	500,000	250,000	250,000	BRS; OS
3.1.4.	Inventory and monitoring of the status of invasive species	7.0	40,000	200,000	200,000	BRS; OS
3.1.5.	Monitoring of forest condition and biodiversity for the purpose of adaptation to and mitigation of the negative effects of climate change	4.3	250,000	125,000	125,000	BRS; OS
3.1.6.	Inventory and conservation of genetic resources in accordance with the Programme for the Conservation of Genetic Resources of the Republic of Srpska	8.7	500,000	0	500,000	IPA; OS
3.2.	**Identification of endangered habitats and species in forest ecosystems**	13.9	800,000	50,000	750,000	
3.2.1.	Identification of potential forest areas suitable for inclusion in the Ecological Network	8.7	500,000	0	500,000	IPA; OS
3.2.2.	Identification of rare, endemic, internationally important, protected and endangered plant and animal species and habitats	3.5	200,000	0	200,000	IPA; OS
3.2.3.	Identification of potential forests of special purpose and high conservation value forests	1.7	100,000	50,000	50,000	BRS; PFE; IPA; OS
3.3.	**Increase in area and development of management of protected areas and forests of special purpose**	22.6	1,300,000	610,000	690,000	
3.3.1.	Designation and proclamation of forests of special purpose	10.4	600,000	300,000	300,000	BRS; PFE; IPA; OS
3.3.2.	Establishment of a management and forest management system for forests of special purpose through the preparation of management plans and Forest Management Plans	1.7	100,000	50,000	50,000	SPFF; PFE
3.3.3.	Initiatives for designation and cooperation with the competent authority for nature protection and spatial planning (MPGUE) in the designation and registration of protected areas	8.7	500,000	200,000	300,000	BRS; IPA; OS
3.3.4.	Management of invasive species	1.7	100,000	60,000	40,000	BRS; IPA; OS

SG 4: Increase of new and additional financial resources from all sources for sustainable forest management and strengthening of education, scientific and technical cooperation, and partnerships

	Priorities and Measures	Financing Structure (%)*	Total (BAM)	Budgetary institutions (BAM)	Other sources (BAM)	Financier
		100.0	174,800,000	65,880,000	108,920,000	
4.1.	**Sustainable use of forest resources**	60.1	105,050,000	46,530,000	58,520,000	
4.1.1.	Support for increasing the volume of production (allowable cut) and monitoring the quality of production processes	0.1	100,000	0	100,000	PFE; IPA; OS
4.1.2.	Подршка унапређењу постојеће мреже шумских путева (пројектовање, изградња и реконструкција шумских камионских путева) Support for the improvement of the existing forest road network (design, construction and reconstruction of forest truck roads)	58.9	103,000,000	46,350,000	56,650,000	BRS; PFE; CRD
4.1.3.	Израда програма отварања шума на нивоу ШПП, као и за шуме у приватној својини Preparation of forest opening programmes at the level of forest management units, as well as for privately owned forests	1.0	1,800,000	180,000	1,620,000	BRS; PFE; OS
4.1.4.	Подршка изради програма коришћења био-масе из шума на нивоу ШПП, као и за шуме у приватној својини Support for the preparation of programmes for the utilisation of forest biomass at the level of forest management units, as well as for privately owned forests	0.1	150,000	0	150,000	IPA; CRD
4.2.	**Technical and technological aspects of forest utilisation**	16.6	29,000,000	9,750,000	19,250,000	
4.2.1	Increase of investments and subsidies for the modernisation of work equipment in forestry	8.0	1,400,000	0	1,400,000	PFE
4.2.2.	Increase of investments in new work equipment to replace depreciated assets	8.6	15,000,000	9,750,000	5,250,000	BRS; CRD
4.3.	**Recovery and economic revitalisation of the forestry sector**	1.0	1,700,000	820,000	880,000	
4.3.1.	Mobilisation of existing and additional financial resources, with increased access to financial resources for economic and other entities in the forestry sector	0.6	1,000,000	40,000	600,000	BRS; PFE; OS
4.3.2.	Continuous monitoring of regional and global supply and demand trends	0.2	300,000	300,000	0	BRS; PFE; OS
4.3.3.	Strengthening capacities for identifying and attracting financial resources from domestic and international sources	0.2	400,000	120,000	280,000	BRS; PFE; CRD
4.4.	**Modernisation of the forestry sector with a focus on green and circular bioeconomy**	17.5	30,650,000	6,160,000	24,490,000	
4.4.1.	Improvement of the efficiency and	0.2	350,000	140,000	210,000	BRS

	effectiveness of business entities in the forestry sector					
4.4.2	Valorisation of the total value of forest ecosystems (economic, ecological and social)	17.2	30,000,000	6,000,000	2,400,000	BRS; PFE; OS
4.4.3.	Harmonisation of the organisational structure of business systems in forestry	0.1	100,000	0	100,000	BRS; PFE; OS
4.4.4.	Diversification of activities and increase of investments in the forestry sector	0.1	100,000	20,000	80,000	BRS; PFE; IPA; OS
4.4.5.	Application of the marketing business concept with the development of entrepreneurship	0.1	100,000	0	100,000	BRS; CRD; OS
4.5.	**Education and training of human resources in forestry and hunting**	2.6	4,500,000	1,850,000	2,650,000	
4.5.1.	Capacity building of staff and professional personnel in forestry and hunting through the development of lifelong learning systems	1.1	2,000,000	600,000	1,400,000	BRS; PFE; IPA; OS
4.5.2.	Establishment of a specialised secondary forestry school and strengthening of higher education institutions	0.9	1,500,000	750,000	750,000	BRS; IPA; OS
4.5.3.	Establishment of a professional centre for vocational training of forestry workers	0.6	1,000,000	500,000	500,000	BRS; PFE; IPA; GR
4.6.	**Strengthening research capacities in the field of forestry and hunting**	2.2	3,900,000	770,000	3,130,000	
4.6.1.	Establishment of teaching and research bases and a network of permanent sample plots	0.4	700,000	140,000	560,000	BRS; PFE; IPA; OS
4.6.2.	Training of staff for the preparation and management of projects, particularly international projects	0.9	1,500,000	300,000	1,200,000	BRS; PFE; IPA; OS
4.6.3.	Support for fundamental and applied research related to forest adaptation to climate change and other environmental disturbances and risks	0.6	1,100,000	330,000	770,000	IPA; OS
4.6.4.	Preparation of a framework research and development financing plan with an emphasis on addressing acute practical problems	0.3	500,000	0	500,000	BRS; PFE; OS
4.6.5.	Strengthening research capacities and achieving better results of applied development programmes and scientific research projects	0.1	100,000	0	100,000	PFE; OS

SG 5. Sustainable forest management, including public promotion, international agreements, cooperation, coordination, coherence and synergy with sectors, partner organizations and relevant forestry-related stakeholders at all levels

Priorities and Measures		Financing Structure (%)*	Total (BAM)	Budgetary institutions (BAM)	Other sources (BAM)	Financier
		100.0	**4,750,000**	**990,000**	**3,760,000**	
5.1.	Raising public awareness of the importance of forestry and hunting, the impacts of climate change, and other risks to forest management	11.6	550,000	120,000	430,000	
5.1.1.	**Establishment of a plan and a unified information system for the public in the forestry and hunting sector regarding climate change mitigation and other environmental disturbances**	1.1	50,000	0	50,000	PFE; OS
5.1.2.	Promotion through media, scientific and professional gatherings, schools, tourist organizations, and research and professional institutions	6.3	300,000	120,000	180,000	BRS; PFE; OS
5.1.3.	Development of a plan and implementation of public awareness-raising activities about forests as a common good and the importance of preventive measures	2.1	100,000	0	100,000	BRS; OS
5.1.4.	Promotion of the importance of sustainable hunting management and hunting tourism	2.1	100,000	0	100,000	CRD; OS
5.2.	**Cooperation and synergy with the wood industry and other sectors**	75.8	3,600,000	820,000	2,780,000	
5.2.1.	Alignment of operations with the principles and criteria of forestry standards and related sectors	21.1	1,000,000	200,000	800,000	BRS; PFE; CRD; OS
5.2.2.	Harmonization of the wood industry's capacity with forestry potential, long-term raw material contracting, contract implementation, regular updates, and consistent application of acts regulating forestry–wood processing relations	6.3	300,000	60,000	240,000	BRS; PFE; OS
5.2.3.	Sale of logs to domestic wood processors through public auctions (traditional and e-auctions)	21.1	1,000,000	200,000	800,000	BRS; PFE; OS
5.2.4.	Development of intersectoral cooperation and strengthening of coordination between the legislative and executive authorities of the Republic of Srpska	21.1	1,000,000	200,000	800,000	BRS; PFE; OS
5.2.5.	Conservation of forest ecosystems in partnership with private forest owners	2.1	100,000	20,000	80,000	BRS; PFE; IPA
5.2.6.	Development of a quality system in forestry	2.1	100,000	70,000	30,000	BRS; OS
5.2.7.	Supporting forestry in enhancing the competitiveness of the wood industry in domestic and international markets	2.1	100,000	70,000	30,000	PFE; OS
5.3.	**Improvement of the institutional and**	6.3	300,000	50,000	250,000	

	legislative environment for forestry development					
5.3.1.	Enhancement of the legislative framework in the sector	2.1	100,000	50,000	50,000	BRS; OS
5.3.2.	Improvement of institutional infrastructure and capacity building for sectoral forest managemen	4.2	200,000	0	200,000	PFE; OS
5.4.	**Coordination of activities at national and international level**	6.3	300,000	0	300,000	
5.4.1.	Enhancement of legal and technical regulations in accordance with international standards	4.2	200,000	0	200,000	IPA; OS
5.4.2.	Establishment and strengthening of forest ecosystem management according to international directives	2.1	100,000	0	100,000	IPA; OS

OVERVIEW BY FUNDING SOURCES		
Budget of the Republic of Srpska / Local self-government units	Funds secured through PPP (with the Public Forest Enterprise)	Funds from EU pre-accession and other EU funds
155,947,000 BAM	70,202,000 BAM	32,645,000 BAM
41.1%	18.5%	8.6%
Non-repayable funds from other international donors	Loans from international and development institutions	Other sources
300,000 BAM	99,862,000 BAM	20,059,000 BAM
0.08%	26.3%	5.3%
TOTAL (BAM)	379,015,000 BAM	

Structure of financing participation (in %) of priorities and strategic objectives in the total financing of the strategic document.
** Structure of financing by funding sources.**
Note: Funding for the strategic document is based on projections of available and expected financial resources at the time of its preparation.

7. FRAMEWORK FOR IMPLEMENTATION, MONITORING, REPORTING, AND EVALUATION

Key activities and responsibilities for the implementation, monitoring, reporting, and evaluation of the development strategy	
Activities(*)	Responsibility (Who?)
Preparation / updating of the Activity Calendar for forest management	**Process lead:** Ministry of Agriculture, Forestry and Water Management of the Republic of Srpska **Process participants:** Public Forest Enterprise of the Republic of Srpska, Industrial Plantations, National Parks
Preparation of mechanisms and tools for monitoring and reporting on the achievement of the development strategy	**Process lead:** Ministry of Agriculture, Forestry and Water Management of the Republic of Srpska **Process participants:** Management Board of the Public Forest Enterprise "Forests of the Republic of Srpska", Directors of organizational units
Definition of priorities based on strategic and program documents for the upcoming 1 + 2 planning cycle	**Process lead:** Ministry of Agriculture, Forestry and Water Management of the Republic of Srpska **Process participants:** Supervisory Board of the Public Forest Enterprise, Management Board of the Public Forest Enterprise "Forests of the Republic of Srpska"
Preparation of three-year and annual work plans of services, including projects from the development strategy and related regular activities	**Process lead:** Ministry of Agriculture, Forestry and Water Management of the Republic of Srpska **Process participants:** Management Board of the Public Forest Enterprise "Forests of the Republic of Srpska"
Preparation of the Three-Year and Annual Work Plan (for the upcoming year)	**Process lead:** Ministry of Agriculture, Forestry and Water Management of the Republic of Srpska **Process participants:** Management Board of the Public Forest Enterprise "Forests of the Republic of Srpska"
Inclusion of key strategic projects and activities in the budget plan (for the upcoming year))	**Process lead:** Ministry of Agriculture, Forestry and Water Management of the Republic of Srpska **Process participants:** Management Board of the Public Forest Enterprise "Forests of the Republic of Srpska", Directors of organizational units
Alignment of annual work plans of services/departments and the Annual Work Plan with the adopted Budget (for the upcoming year)	**Process lead:** Ministry of Agriculture, Forestry and Water Management of the Republic of Srpska **Process participants:** Management Board of the Public Forest Enterprise "Forests of the Republic of Srpska", Directors of organizational units
Adoption of the Annual Work Plan (for the upcoming year)	**Process lead:** Ministry of Agriculture, Forestry and Water Management of the Republic of Srpska **Process participants:** Supervisory Board of the Public Forest Enterprise, Management Board of the Public Forest Enterprise "Forests of the Republic of Srpska"
Elaboration of projects included in the Annual Work Plan	**Process lead:** Ministry of Agriculture, Forestry and Water Management of the Republic of Srpska **Process participants:** Management Board of the Public Forest Enterprise "Forests of the Republic of Srpska", Directors of organizational units
Monitoring and mobilization of external sources of project financing	**Process lead:** Ministry of Agriculture, Forestry and Water Management of the Republic of Srpska **Process participants:** Management Board of the Public Forest Enterprise "Forests of the Republic of Srpska", Directors of organizational units
Monitoring the implementation of the Annual Work Plan and achievement of strategic objectives	**Process lead:** Ministry of Agriculture, Forestry and Water Management of the Republic of Srpska **Process participants:** Management Board of the Public Forest Enterprise "Forests of the Republic of Srpska", Directors of organizational units
Preparation of annual reports on the work of services/departments	**Process lead:** Ministry of Agriculture, Forestry and Water Management of the Republic of Srpska **Process participants:** Management Board of the Public Forest Enterprise "Forests of the Republic of Srpska", Directors of the Public Forest Enterprise, Heads of organizational units
Involvement of the public / Partner Groups in monitoring the implementation of the development strategy (**)	**Process lead:** Ministry of Agriculture, Forestry and Water Management of the Republic of Srpska **Process participants:** Management Board of the Public Forest Enterprise "Forests of the Republic of Srpska", Directors of organizational units
Preparation and review of the Development	**Process lead:** Ministry of Agriculture, Forestry and Water Management of the

Report (for the previous year)	Republic of Srpska **Process participants:** Management Board of the Public Forest Enterprise “Forests of the Republic of Srpska”
Preparation and review of the Annual Work Report (for the previous year)	**Process lead:** Government of the Republic of Srpska **Process participants:** Ministry of Agriculture, Forestry and Water Management of the Republic of Srpska
Adoption and publication of the Development Report (for the previous year)	**Process lead:** Ministry of Agriculture, Forestry and Water Management of the Republic of Srpska **Process participants:** Management Board of the Public Forest Enterprise “Forests of the Republic of Srpska”, Directors of organizational units
Adoption and publication of the Annual Work Report (for the previous year)	**Process lead:** Government of the Republic of Srpska **Process participants:** Ministry of Agriculture, Forestry and Water Management of the Republic of Srpska
Other important activities: – Establishment and improvement of inter-municipal / cross-municipal cooperation – Initiation of the development strategy evaluation process	**Process lead:** Assistant Minister together with Heads of Departments in the forestry sector **Process participants:** Management Board of the Public Forest Enterprise “Forests of the Republic of Srpska”, Directors of organizational units

(*) Refers to process-related activities aligned with the relevant regulatory frameworks of both entities in Bosnia and Herzegovina, including budgetary regulations, as well as with the internal regulatory framework of local self-government units, where established.
(**) The Partner Group is involved in monitoring the implementation of the development strategy once or twice per year.
(***) DURA is the Development Management Unit. Where a DURA has not been established, its role is assumed by the Development Team (DT) until the DURA is fully established.

8. SUMMARY OVERVIEW OF STRATEGIC GOALS

Strategic Goal 1

Serial number and title of the strategic objective, priority and measure	Indicators and financial sources					
	Indicators	Baseline values of indicators *	Target values of indicators**	Budget (BAM)	Other sources (BAM)	Total (BAM)
1. Increase forest cover, productivity, and forest quality, and contribute to global climate change mitigation efforts.	• Forest area (ha)	1,090,974	1,105,000	83,362,000	84,403,000	167,765,000
1.1. Conservation and improvement of forest productivity and quality	• Areas by forest category (ha) • Volume (m^3/ha) • Volume increment (m^3/ha)	CF 421,125 DHF 15,195 324 9.05	370,000 13,000 350 9.30	10,100,000	22,900,000	33,000,000
1.1.1. Improvement, elaboration, and adequate application of management systems in high forests with natural regeneration	• Forest area with applied prescribed management systems (ha)	225,000	300,000	1,500,000	3,500,000	5,000,000
1.1.2. Reclamation of degraded high forests and conversion of coppice forests	• Area treated with silvicultural-reclamation measures (ha/year)	1,300	4,000	6,000,000	9,000,000	15,000,000
1.1.3. Improving the condition and management of forest plantations	• Area treated with thinning operations (ha/year)	500	5,000	2,600,000	10,400,000	13,000,000
1.2. Improvement of the production of quality forest seeds and planting material	• Number and area of seed plantations	There is no single seed plantation	Two seed plantations	180,000	2,020,000	2,200,000
1.2.1. Defining the Region of Provenance and Revision of Seed Objects	• Number of species with defined regions of provenance • Number of registered seed establishments	They're not defined Regions of provenance 113	Registered regions of provenance A register of seed objects has been made	75,000	225,000	300,000
1.2.2. Establishment of seed plantations, provenance and clonal tests for the most important woody species, taking into account the aspect of climate Change	• Number of seed plantations, provenance tests and progeny tests	It doesn't exist No registered provenance test	Two provenance tests (or progeny test)	80,000	120,000	200,000

1.2.3. Control of the quality and trade of forest reproductive material in accordance with international practices	• The Level of Implementation of International Practices in the Trade of Forest Reproductive Material	Inadequate indicators and ways of monitoring the quality of seeds and planting material	A new standard and a continuous process of monitoring the quality of seeds and planting material has been established	25,000	25,000	50,000
1.2.4. Production of planting material in accordance with the guidelines defined in the Assortment of forest planting material for the holdings of PFE "Forests of the Republic of Srpska" a.d. Sokolac	• Share (quantity), types and types of planting material, percentage of planting material produced in accordance with the defined "Assortment..."	Three million seedlings, spruce 41%; white pine 16%; black pine 25%; Other 18%	Five million seedlings, letter 14%; dishes 11%; sessile 11%; morel 9%; b. boron 3%; c. boron 11%; Other (noble deciduous and fruit trees) 41%	0	1,650,000	1,650,000
1.3. Increasing the area under forest by erecting new forests and plantations	• Area of forest crops and plantations (ha)	49,871	60,000	66,300,000	44,800,000	111,100,000
1.3.1. Afforestation of barren land in accordance with the recommendations of the "Master Plan for Afforestation of Goleti"	• Area of annually afforested forest (ha)	531	2,000	60,000,000	40,000,000	100,000,000
1.3.2. Plantations of fast-growing species with the promotion of indigenous and controlled use of allochthonous	• Area of plantations of fast-growing species (ha/year)	5	100	6,000,000	4,000,000	10,000,000
1.3.3. Ecological and social (functional) aspects important in the selection of species when establishing new forests, innovative practices	• Forested area with priority ecological and social functions of forests (ha)	30	100 Multifunct. plantings	3,000,000	7,000,000	1,000,000
1.3.4. Production and transfer of planting material in accordance with expected changes in habitat conditions and climate	• Quantity of purpose-built and marketed seedlings adaptable to climate change	Seedlings are not produced in accordance with the recommendations on the transfer of forest products. Materials	Recommendations made and tests and products set (>50% of seedlings in accordance with recommendations)	0	100,000	100,000

1.4. Adaptive Forest Management and Management Planning in the Context of Climate Change	• Forest Area Adapted to Climate Change by Management (ha)	0	100,000	700,000	1,400,000	2,100,000
1.4.1. Harmonization of regulations on the obligation to apply close to nature management and its implementation in operational plans	• Compliance of forestry regulations with close-to-nature forest management and practical application in planning and management	0	100	600,000	1,400,000	2,000,000
1.4.2. Revision of objectives, measures and plans for active adaptive forest management and the implementation of nature-based solutions (NbS)	• Forest area with applied adaptive landlords and nature-based solutions (NbS) in the face of climate change (ha)	0	100,000	100,000	0	100,000
1.5. Preserving forests and improving forest protection	• Area endangered by the negative impact of factors of biotic and abiotic nature (ha) • The area of the forest affected by fire (ha)	260,000 10,000	50,000 0	3,632,000	6,973,000	10,605,000
1.5.1. Monitoring of the health status of forests, according to the International Methodology (ICPF), for Level I and the establishment of Level II	• Number of permanent sample plots Level I and II	40	41	498,000	747,000	1,245,000
1.5.2. Capacity Building for Preventive Fire Protection and Threat Mapping	• Forest area covered by fire video surveillance (ha) • Length of fire roads and averages (km) • Number of fire watchtowers	0 15 (Roads) 40 (Firebreak) 46	20,000 33 (Roads) 80 (Firebreak) 60	1,536,000	2,304,000	3,840,000
1.5.3. Strengthening firefighting and management capacities	• Number of specialized vehicles for intervention • Number of forest fire and burned area (ha/year) of state and private forests	2 326 fire and 10,000 ha	> 5 0	150,000	1,350,000	1,500,000
1.5.4. Monitoring of the status and trends of changes in the state of forests using remote sensing	• Location Mapping and Temporal Dynamics of Changes	Every four years	Annual activities	160,000	640,000	800,000
1.5.5. Integrated protection of forests and biological methods of struggle with the application of modern material and technical means for forest protection	• The area of forests and forest land endangered by pathogens (diseases, pests, fires, abiotic factors and immission effects) treated with modern means of protection	16,000	70,000	1,288,000	1,932,000	3,220,000

1.6.	**Preventing habitat degradation and erosion**	• The area of forests and forest land extremely vulnerable to mines, erosion and torrents (ha)	260,000	100,000	360,000	840,000	1,200,000
1.6.1.	Separation of potentially endangered sites from mines, erosion, torrents, uplifting and maintenance of coastal protective (line) forests using nature-based solutions (NbS)	• The area of the established coast-protection Forest (ha) • Area of contaminated forest land (mines, heavy metals, waste, etc.)	0 56,000	2,000 < 25,000	360,000	840,000	1,200,000
1.7.	**Preventing illegal activities in the forestry sector**	• The area of forests and forest land extremely vulnerable to mines, erosion and torrent (ha)	260,000	100,000	0	1,000,000	1,000,000
1.7.1.	Control of forest management, development of a system of preventive protection against illegal and illegal activities and prevention of usurpation	• Volume of LDS obtained from illegally felled trees (m^3 per year) and area of illegally deforested forest (ha/year) • Surface usurpation (ha) • The number of criminal offences of "forest theft"	10,142 399,6 18,669 156	< 3,000 < 100 < 6,000 < 100	0	1,000,000	1,000,000
1.8.	**Sustainable management of forests and forest land according to the principles of FSC and other standards**	• Area Certified forests (ha)	981,940	1,289,124	200,000	800,000	1,000,000
1.8.1.	Adherence to the principles of sustainable forest management according to MCPFE, FSC and other standards and certification of private forests	• Area of certified private forests (ha)	0	300,000	200,000	800,000	1,000,000
1.9.	**Improvement of the system of integrated management planning in forestry**	• A modern system of integrated forest management planning has been adopted and applied	0	1	1,530,000	3,530,000	5,060,000
1.9.1.	Development of methodologies for the development of FMP for forests owned by the Republic and for privately owned forests	• Carried out Methodologies for the development of SPO for forests owned by the Republic and for private forests	Old methodology (2)	New methods developed, adopted and applied (2)	150,000	350,000	500,000
1.9.2.	Definition of basic planning units in (planning level) for forests owned by the Republic	• Application of Innovated Spatial Division for Forests Owned by the Republic and Types of Plans on That Basis	Spatial division from the old forest inventory methodology	Defined and applied basic classification Forest Management Planning Units Owned by the Republic of Srpska	105,000	105,000	210,000

1.9.3. Application of Remote Sensing and Modern Instruments in Forest Inventory	• Scope of application of remote sensing and modern instruments in forest inventory	0	> 50% Areas covered by the inventory	225,000	525,000	750,000
1.9.4. Development of methodology and implementation of permanent forest inventory on large areas (NFI)	• Forest inventory on large areas	0	A large area and public forest survey. The results of the inventory	1,050,000	2,450,000	3,500,000
1.9.5. Improvement of project development for the execution of works in forestry	• Application of Innovative Methodology for the Development of Forestry Works Projects	Methodology (1999)	A new methodology has been developed for the development of projects for the execution of works in forestry	0	100,000	100,000
1.10. Development of Spatial Information Systems in Forestry and Hunting	• Spatial Information Systems in Forestry and Hunting	0	2	360,000	140,000	500,000
1.10.1. Development of modern integral and integrated spatial IS in forestry	• Spatial Information System in Forestry	No spatial IS	Functional spatial IS in forestry	200,000	0	200,000
1.10.2. Development of modern integrated spatial IS in hunting Development of modern integrated spatial IS in hunting	• Spacious information systems	No spatial IS	Functional spatial IS in hunting	100,000	0	100,000
1.10.3. Defining protocols for data exchange between information systems in the field of forestry and hunting with other information systems	• Technical specification with detailed information on methods and procedures for the exchange of spatial data between IS in the field of forestry and hunting with other spatial and non-spatial IS and/or users • Contracts and/or agreements on the modalities of exchange of spatial and non-spatial data and their use between IS owners	The document does not exist There are no contracts or agreements	Документ завршен Contracts or agreements drawn up	30,000	70,000	100,000
1.10.4. Defining Protocols (Procedures) in Reporting on the State of Forests in the Republic of Srpska to International Organizations	• Technical specification with detailed information on methods and procedures for reporting on the state of forests to international organizations	The document does not exist	Document Completed	30,000	70,000	100,000

*Column – Baseline values of indicators in the year of preparation of the strategic document.
**Column – Target values of indicators related to the last year of the strategic document.

Strategic Goal 2.

Serial number and title of the strategic objective, priority and measure	Indicators and financial sources					
	Indicators	Baseline values of indicators *	Target values of indicators**	Budget (BAM)	Other sources (BAM)	Total (BAM)
2. Enhancing the multifunctional (economic, environmental and social) benefits of forestry, including improving the living conditions of the population in rural areas	• Total annual income of forestry (BAM)	300,000,000	350,000,000	3,580,000	22,370,000	25,950,000
2.1. Increasing productive employment in forestry in rural areas	• Number of productive workers in forestry	2,500	3,500	260,000	11,190,000	11,450,000
2.1.1. Rationalization of the number of employees in forestry	• Number of employees in PFE and other forestry enterprises and institutions	4,961	3,500	0	100,000	100,000
2.1.2. Diversification of activities PFE	• Number of new jobs created by diversification of activities	0	+100	0	10,000,000	10,000,000
2.1.3. Connecting private forest owners into clusters or other associations at the sectoral level	• Number of clusters and associations of private forest owners	1	3	0	50,000	50,000
2.1.4. Improving the social and labour status of workers and strengthening gender and gender equality in forestry	• Share and type of jobs/positions occupied by women in forestry (%)	30	40	110,000	990,000	1,100,000
2.1.5. Encouraging and engaging the population of rural areas to carry out forestry works	• Number of employees from the territory of the municipality (rural areas) in which they permanently reside	1,000	1,200	50,000	50,000	100,000
2.1.6. Application and dissemination of agroforestry practices and resolution of usurpations	• Area of land where agroforests are applied practice (ha)	0	1,000	100,000	0	100,000
2.2. Increasing the valorization of the main forest products	• Amount of high-value FWA produced (m^3) per year	200,000	300,000	100,000	400,000	500,000
2.2.1. Improvement of tailoring and production of FWA in accordance with standards and market valorization	• Profit due to a change in attitude towards the valorization of assortments	Average price of FWA (with retail) 115.42 BAM	+5%	100,000	400,000	500,000
2.3. Greater utilization and economic valorization of other NSP and eco-system services	• Value of redeemed NWFPs (BAM)	5,000,000	7,000,000	300,000	3,700,000	4,000,000
2.3.1. Increasing the utilization of wild herbs, edible	• Amount of NWFPs collected (tonnes)	2,000	4,000	100,000	900,000	1,000,000

	mushrooms and other NWFPs						
2.3.2.	Organizing trainings for collectors of other forest products in the field of good collecting practices	• Number and continuity of trainings held	2	20	200,000	800,000	1000,000
2.3.3.	Increasing the number of purchase centers for NWFPs and equipping them with modern means	• Number of NWFPs Purchase Points Equipped with Modern Equipment	10	20	0	1,000,000	1,000,000
2.3.4.	Increasing the degree of processing of NWFPs before their export	• Amount of NWFPs processed into final products (tonnes)	1,000	2,000	0	1,000,000	1,000,000
2.4.	**Development of eco-tourism in forest areas**	• Area of forests and forest land intended for eco-tourism services (ha)	25,000	50,000	0	4,000,000	4,000,000
2.4.1.	Interest networking of forest holdings and eco-tourism service providers	• Number of concluded and executed agreements/contracts	0	20	0	500,000	500,000
2.4.2.	Creating new and developing existing eco-tourism products and offers based on forest eco-systems	• Types of eco-tourism products and offers based on forest eco-systems	50	> 70	0	1,500,000	1,500,000
2.4.3.	Functional arrangement of the forest area for the needs of recreation and tourism	• Area of infrastructurally arranged locations with an overview of the offer (ha)	25	50	0	2,000,000	2,000,000
2.5.	**Improvement of hunting management**	• Area of the hunting ground (ha)	2,464,176	2,464,176	820,000	880,000	1,700,000
2.5.1.	Better preparation of planning documentation and game records	• Methodology for the development of plans, inventory procedures and monitoring of specially protected game species	Methodology, rulebook, records from 2024	A new methodology, rulebook and records have been developed and adopted	20,000	80,000	100,000
2.5.2.	Increasing the number of game, establishing an optimal sex and age structure	• Game abundance	250,000	280,000	50,000	50,000	100,000
2.5.3.	Settlement of deer	• Number of inhabited (reintroducated) individuals of European deer	0 Individuals	50 Individuals	250,000	250,000	500,000
2.5.4.	Prevention of wildlife damage	• The Value of the Wild Beast (BAM)	500,000	Reduced by min. 50%	250,000	250,000	500,000
2.5.5.	Construction of hunting facilities and intensive breeding and protection of game	• Number of Criminal Offences for Illegal Hunting	26	<15	250,000	250,000	500,000
2.6.	**Increase in revenues from hunting and hunting tourism**	• Total income from hunting and hunting tourism (BAM)	8,000,000	10,000,000	2,100,000	2,200,000	4,300,000

2.6.1. Promotion of hunting resources and intensification of commercial hunting	• The presence of (foreign) hunters and the participation of controlled commercial hunting	Participation in the commercial. Shooting in sports and recreational hunting grounds compared to the planned shooting quotas below 3%	Participation in the commercial. Shooting in a sports recreation. compared to the planned minimum shooting quotas 10%	50,000	50,000	100,000
2.6.2. Establishing the functioning of the CITES Convention	• Established and functional CITES Convention • Developed plans for the management of large carnivores (bear, wolf and lynx)	No CITES Convention Established There are no plans for the management of large carnivores in the Republic of Srpska	Established and functional CITES Convent. Plans for the management of large carnivores in the Republic of Srpska	0	100,000	100,000
2.6.3. Implementation of concession procedures for commercial hunting grounds	• Number of signed and implemented concession contracts for the use of planned game culling with the performance of hunting activities in commercial hunting grounds	Commercial hunting grounds assigned to PFE "Forests of the Republic of Srpska" for temporary use	Concession contracts signed for the use of most of the commercial hunting grounds (at least eight)	50,000	50,000	100,000
2.6.4. Realization of annual plans for the killing of game in commercial, special and sports and recreational hunting grounds	• The degree of realization of the planned shooting quota in commercial, special and sport-recreational hunting grounds	Shooting quotas in hunting grounds realized below 50% compared to the plan	On the basis of the quota implemented 100%	2,000,000	2,000,000	4,000,000

Strategic Goal 3.

Serial number and title of the strategic objective, priority and measure	Indicators and financial sources					
	Indicators	Baseline values of indicators *	Target values of indicators**	Budget (BAM)	Other sources (BAM)	Total (BAM)
3. Biodiversity conservation, increasing the area of protected forests and other forest areas for special purposes	• Area of protected forests (especially rainforests) and forest areas of special use (ha)	74,168	160,000	2,135,000	3,615,000	5,750,000
3.1. Inventory and monitoring of habitats of plant and animal species and identification of endangered species and habitats	• Number of species with constant monitoring • Number of habitats with constant monitoring • Integration of information in the IS (%)	0 0 0	30 5 100	1,475,000	2,175,000	3,650,000
3.1.1. Identification of habitat types within forest eco-systems modeled on the EUNIS classification	• List of habitat types in forest eco-systems classified according to the harmonized national and EUNIS classification • Web application with classification integrated into the forestry information system	The list doesn't exist 0%	List Completed 100%	400,000	600,000	1,000,000
3.1.2. Mapping habitat types up to EUNIS level 2	• Map of the stanishta type • Web application with habitat map integrated into the forestry information system	Existing maps of forest types It doesn't exist	Nova map of the stanishta type Web application function and integrated	500,000	500,000	1,000,000
3.1.3. Monitoring of selected key species and habitats	• Integration of Species Monitoring Data in IS in Forestry	0%	100%	250,000	250,000	500,000
3.1.4. Inventory and monitoring of the status of invasive species	• Checklist and data on monitoring of invasive species integrated into the IS in forestry	0%	100%	200,000	200,000	400,000
3.1.5. Monitoring the state of biodiversity in the function of adaptation and mitigation of negative effects of climate Change	• Number of species and habitats with continuous monitoring in the context of the negative impacts of climate change	0	15	125,000	125,000	250,000
3.1.6. Inventory and conservation of genetic resources in accordance with the Program for the Conservation of Genetic Resources of the Republic of Srpska	• The number of species whose genetic structure is fully described by the Program for the Conservation of Genetic Resources of the Most Important Species in the Republic of Srpska	There is no inventory of genetic variability of any woody species	A genetic characteristic the most important woody species with a genetic conservation program Resources	0	500,000	500,000
3.2. Identification of	• Area of identified rare,	27,000	30,000	50,000	750,000	800,000

	Endangered Habitats and Species in Forest Eco-Systems	endemic, internationally important, protected and endangered plant and animal species and habitats (ha)					
3.2.1.	Identification of potential forest areas suitable for inclusion in the Ecological Network	• Area of identified potential forest areas suitable for inclusion in the Ecological Network • Spatial and other data on identified potential forest areas suitable for inclusion in the Ecological Network integrated into the Forestry IS	0 0%	100,000 100%	0	500,000	500,000
3.2.2.	Identification of rare, endemic, internationally important, protected and endangered plant and animal species and habitats	• List of rare, endemic, internationally important, protected and endangered plant and animal species and habitats integrated into the IS in forestry	The checklist doesn't exist	Checklist Completed	0	200,000	200,000
3.2.3.	Identification of potential special purpose forests, forests of high conservation value	• Area HCVF (ha)	118,000	130,000	50,000	50,000	100,000
3.3.	**Increasing the area and developing the management of protected areas and special purpose forests**	• Area of special purpose forests (ha)	30,000	50,000	610,000	690,000	1,300,000
3.3.1.	Separation and designation of special purpose forests	• New Special Purpose Forests Declared and Spatial and Other Data Integrated in the Forestry IS	80 Objects	100 Objects	300,000	300,000	600,000
3.3.2.	Establishment of a management and management system for special purpose forests through the development of management plans and FMP	• The degree of harmonization of management plans, FMP, hunting bases, etc. Plans	Special purpose forests are not adequately represented in FMP and hunting bases	All special purpose forests are Especially shown in FMP and Hunting Bases	50,000	50,000	100,000
3.3.3.	Initiatives for the designation and cooperation with the Ministry of Nature Conservation and Spatial Planning (MPGUE) in the allocation and registration of protected areas	• Number of initiatives submitted for protected areas for designation in cooperation with the nature conservation sector	0	30	200,000	300,000	500,000
3.3.4.	Management of invasive species	• Invasive Species Management Plans	There are no	Management plans developed for all invasive species	60,000	40,000	100,000

Strategic Goal 4.

Serial number and title of the strategic objective, priority and measure	Indicators and financial sources					
	Indicators	Baseline values of indicators *	Target values of indicators**	Budget (BAM)	Other sources (BAM)	Total (BAM)
4. Increasing new and additional financial resources from all sources for sustainable forest management and strengthening education, scientific and technical cooperation and partnerships	• Invested funds for the application of modern technologies and means of work (BAM) • Number of educational and scientific research institutions	20,000,000 3	40,000,000 4	65,880,000	108,920,000	174,800,000
4.1.1. **Sustainable use of forest resources**	• Compared to the planned (%) • The Total Length of Forest Truck Roads (km) • Amount of forest wood bio-mass for energy (m^3)	85 8,239.97 6,000	100 8,805.65 30,000	46,530,000	58,520,000	105,050,000
4.1.2. Support for increasing the volume of production (FTA) and monitoring the quality of the production process	• The degree of implementation of the planned estate in private forests (%) • The degree of increase in the quality structure of the FWA (%)	40 Industrial and technical wood 45	100 Industrial and technical wood 55	0	100,000	100,000
4.1.3. Support to the improvement of the existing network of forest roads (design, construction and reconstruction of forest road roads)	• The total length of forest road reconstruction (km)	997	1,300	46,350,000	56,650,000	103,000,000
4.1.4. Development of forest opening programs at the level of FMA and for privately owned forests	• The level of implementation of the plan to open the forest to the FMP (%)	30	100	180,000	1,620,000	1,800,000
4.1.5. Support for the development of programs for the use of bio-mass from forests at the level of SPP, as well as for privately owned forests	• Number of programs for the use of bio-mass from forests • The use of forest residues as a renewable energy source	0 30%	30 70%	0	150,000	150,000
4.2. Technical and technological development of the use of forests	• Number of modern means of work for forest use	6	15	9,750,000	19,250,000	29,000,000
4.2.1. Increase in investments	• Funds invested in the purchase and	1,500,000	An increase in min. 100%	0	14,000,000	14,000,000

(procurement) and subsidies in the modernization of means of work in forestry	subsidization of modern means of work in forestry (BAM)					
4.2.2. Increase in investment (purchase) in new means of labor in exchange for depreciated	• Number and type of new means of work (pcs.)	25	211	9,750,000	5,250,000	15,000,000
4.3. Recovery and Economic Revitalization of Forestry	• International funds invested for the development of forestry (BAM) • Number of implemented international projects for the development of forestry	7,000,000 3	67,000,000 7	820,000	880,000	1,700,000
4.2.2. Mobilization of existing and additional financial resources, with increasing access to finance for economic and other entities in the forestry sector	• Percentage of placement of special purpose funds for forests in the forestry sector • Allocation of funds for local communities aligned with the surrounding countries	17.2% (Average) 10% From the value of the FWA to truck route	100% Aligned with the surrounding countries	400,000	600,000	1,000,000
4.2.3. Constant monitoring of regional and global supply and demand trends	• Participation of the sale of FWA from public and private forests through auction (%) • Reduced (or banned) exports of raw materials – technical and firewood	0.1 68 Million BAM	15 Min reduced. 50%	300,000	0	300,000
4.2.4. Strengthening the capacity to attract financial resources from domestic and international sources	• Number and professional organization in the sector of consulting services for preparation and real. Project activities • Allocation of funds to the co-financing fund. project activities outside of existing sources (BAM)	20 None	40 3,000,000	120,000	280,000	400,000
4.4. Modernising the forestry sector by focusing on both green and circular bioeconomy	• Investments for the modernization and development of forestry (BAM/year) • Number of implemented projects focused on green and circular bioeconomy	4,000,000 0	35,000,000 10	6,160,000	24,490,000	30,650,000
4.4.1. Improve the efficiency and effectiveness of business entities in	• Number of Registered Forestry Contractors • Forestry Program of the	164 None	200 Done	140,000	210,000	350,000

the forestry sector	Republic of Srpska • Improved legislative framework in the direction of creating sustainable forest management and a market-oriented sector attractive for investment • Plan to increase energy efficiency, reduce fossil fuel consumption, reduce waste and increase recycling in the business systems of the forestry sector	Updated in 2008, with amendments and updates from 2013 and 2020 None	Done Done			
4.4.2. Valorization of the overall values of forest eco-systems	• Methodology and valorization of total values of forest eco-systems • Defined and Applied Methodology for Assessing the Profitability of Investments in Forestry	None None	Done Done	6,000,000	24,000,000	30,000,000
4.4.3. Harmonization of the organizational structure of business systems in forestry	• Key Institutional, Regulatory and Operational Constraints of Government and Private Business Systems in the Forestry Sector Identified • The relationship between the number of productive "green" jobs and the total number of employees in forestry	None 0	Done 50	0	100,000	100,000
4.4.4. Diversification of activities and increased investment in the forestry sector	• Types, number and value of investments in forestry (BAM/year) • Assessment of generation, certification and sale of carbon credits from the forestry sector in mitigation and adaptation activities. • Guidelines for the development of a circular bioeconomy based on forestry	25 million BAM (excluding investment) None None	+5% per year Done Done	20,000	80,000	100,000
4.4.5. Application of the marketing concept of business with the development of entrepreneurship	• The value and type of subsidies for "green" investments, for young and innovative entrepreneurs, socially and women's entrepreneurship. (BAM/year) • Number of promotional	None 5	300,000 30	0	100,000	100,000

	campaigns aimed at green and circular bioeconomy • Guidelines for the development of internal entrepreneurship and the creation of innovative and integrated value chains. In the context of the PFE	None	Done			
4.5. Education and training of personnel in the field of forestry and hunting	• Number of scientific and professional conferences held (per year) • Existence of a specialized secondary forestry school	5 0	10 1	1,850,000	2,650,000	4,500,000
4.5.1. Training of personnel in forestry and hunting through the development of a lifelong learning system	• Innovated NPP and aligned with modern intentions of forestry profession and science	Old Curriculum	A new one has been made Curriculum	600,000	1,400,000	2,000,000
4.5.2. Establishment of a specialized secondary forestry school and strengthening of higher education institutions	• Established Specialized Secondary School of Forestry	0	1	750,000	750,000	1,500,000
4.5.3. Establishment of a professional center for vocational training of workers	• Number and capacity of centers	0	A profession was founded. Center	500,000	500,000	1,000,000
4.6. Strengthening research capacities in the field of forestry and hunting	• Existence of a scientific research center / teaching base • Number of scientific research workers in forestry and hunting	0 45	1 55	770,000	3,130,000	3,900,000
4.6.1. Establishment of Teaching and Scientific Bases and Networks of Permanent Experimental Surfaces	• Number of sample surfaces • Cadastre of Permanent Sample Areas	0 0	30 A catastrophe is made. permanent Surface	140,000	560,000	700,000
4.6.2. Training of personnel for the preparation and management, especially of international projects	• Center for International Project Administration • Number of successfully completed international projects	0 5	Established Center An increase in min. 100%	300,000	1,200,000	1,500,000
4.6.3. Support for fundamental and applied research related to the adaptation of forests to climate change and other environmental	• Number of completed research projects related to the adaptation of forests, flora and fauna to climate change and other ecological disturbances and risks	0	5	330,000	770,000	1,100,000

	disturbances and risks	• Forest area (ha) specifically dedicated to research on the adaptation of forests to climate change and other ecological disturbances and risks	0	500			
4.6.4.	Development of a framework plan for financing research and development with an emphasis on the need to solve acute problems of practice	• Framework Plan for Financing Research and Development in the Field of Forestry and Hunting Harmonized with European Plans	0	A framework plan for financing research and development	0	500,000	500,000
4.6.5.	Strengthening research capacities and achieving better results of applied development programs and scientific research projects	• The number of researchers • Number of published scientific papers • The number of scientific projects carried out	50 > 50 > 10	An increase in min. 30% An increase in min. 50% An increase in min. 30%	0	100,000	100,000

Strategic Goal 5.

Serial number and title of the strategic objective, priority and measure	Indicators and financial sources					
	Indicators	Baseline values of indicators *	Target values of indicators**	Budget (BAM)	Other sources (BAM)	Total (BAM)
5. Sustainable forest management, including public promotion, international agreements, cooperation, coordination, coherence and synergy with sectors, partner organisations and relevant forest-related actors at all levels.	• Degree of coordination, coordination and coherence (%)	30	70	990,000	3,760,000	4,750,000
5.1. Strengthening public awareness of forestry, hunting, the consequences of climate change and other risks of forest management	• Number of promotions held (per year)	2	5	120,000	430,000	550,000
5.1.1. Establishment of a plan and a uniform system of information intended for the public in the forestry and hunting sector related to the mitigation of climate change and other environmental disturbances	• Performance Plan on Raising Citizens' Awareness of Forestry and the Importance of Forests for Climate Change	0	A plan and information system in place	0	50,000	50,000
5.1.2. Promotion through the media, scientific and professional conferences, in school institutions, tourist organizations, scientific and professional institutions	• GIS for Promotion Management • Number of promotional web presentations, brochures, brochures, posters and maps created	0 < 50	A GIS program has been created. +50%	120,000	180,000	300,000
1.3. Develop a plan and implement measures to raise public awareness about forests as a common good and the importance of implementing preventive measures	• Promotion plan in line with UN objectives	Not done	A promotion plan in line with the objectives UN (Stupa on Snaga 2030)	0	100,000	100,000
5.1.4. Promoting the importance of sustainable hunting	• Promotion plan about hunting and hunting tourism and number of	None	A plan to grow. Participant. A hunting tour.	0	100,000	100,000

	management and hunting tourism	participants • Number of promotions about hunting tourism	5	for 20% 15			
5.2.	**Cooperation and synergy of relations with the wood industry and other sectors**	• Degree of harmonization of sectoral laws and bylaws with the aim of more realistic planning of sustainable development (%) • Area of certified private forests (%)	70 0	100 100	820,000	27,80,000	3,600,000
5.2.1.	Усклађивање пословања са принципима и критеријумима стандарда у шумарству и повезаним секторима	• The number of successful audits and reassurances. In accordance with the requirements of the FSC standard for forests owned by the Republic of Srpska • Transition from JUS to BAS EN standards for FWA • Established application of the FG principle in the forestry sector • Established the degree of compliance with the measures of the FLEGT regulation and the EU Timber Regulation, with measures to improve	3 recertif. and 10 regular audits None None None	2 resertif. and 8 regukar audits Done Done Done	200,000	800,000	1,000,000
5.2.2.	Harmonization of the capacities of the wood industry with the potentials in forestry, long-term contracting of raw materials, implementation of contracts, regular updating and consistent application of acts related to the regulation of relations between forestry and wood processing	• Adopted acts and implemented in practice in accordance with the needs of forestry, wood industry and rural development • Signed and implemented multi-year (five-year) framework agreements between PFE and wood processors on the continuity of raw material supply • Contracts on even realization in accordance with the production of FWA and settlement of obligations of wood processors	Not all acts have been adopted Signed one year. Contracts Signed contracts	All acts passed A five-year contract has been implemented Contracts and Obligations Fulfilled 100%	60,000	240,000	300,000
5.2.3.	Sale of logs to domestic wood processors through public bidding (classic and E-auction)	• Quantity of logs sold through classic and E-auctions and E-tenders on an annual basis	0	20% of the annual produced FWA	200,000	800,000	1,000,000
5.2.4.	Development of cross-sectoral cooperation and strengthening of coordination of legislative and	• The degree of harmonization of the system of intersectoral planning, sectoral laws and bylaws with the aim of more realistic	Insufficiently aligned	Fully Aligned	200,000	800,000	1,000,000

executive authorities of the Republic of Srpska	achievement of sustainable forest management					
5.2.5. Conservation of forest ecosystems in partnership with private forest owners	• The degree of implementation of the service system in relation to sustainable forest management and multifunctional use	10%	> 20%	20,000	80,000	100,000
5.2.6. Development of Quality Systems in Forestry	• The degree of application of global recommendations and standards that define the quality system (FSC, MCPFE, norms and standards, non-binding recommendations, etc.)	50%	Adopted Recommendations and Quality System Standards	70,000	30,000	100,000
5.2.7. Forestry support for strengthening the competitiveness of the wood industry on the domestic and international markets	• The degree of valorization of wood raw materials and wood products with high added value	125 BAM (Average selling price FWA)	Додана вриједност +15%	70,000	30,000	100,000
5.3. Improving the institutional and legislative environment for the development of forestry	• Number of adopted new regulations for the development of forestry	2	5	50,000	250,000	300,000
5.3.1. Improving the legislative framework in the sector	• Number of sectoral laws adopted	2	+2	50,000	50,000	100,000
5.3.2. Improvement of institutional infrastructure and strengthening of management capacities in the forestry sector	• Number of initiatives implemented to improve institutional capacity	2	10	0	200,000	200,000
5.4. Coordinating activities at the national and international level	• Degree of compliance with international regulations (%)	30	100	0	300,000	300,000
5.4.1. Improvement of legal and technical regulations with international regulations	• Degree of compliance with international regulations (laws, planning system, sustainable management, participatory approach, decentralization, gender equality, etc.)	30%	70%	0	200,000	200,000
5.4.2. Establishing and strengthening the management of forest eco-systems according to international directives	• Connecting with other countries, regions at different levels	Connectivity with all countries in the region	> 10 Country	0	100,000	100,000

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