



# Government support for private forestry in Finland

**Boreal Forest Platform**

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# Kemera support



- The Finnish Government subsidises silvicultural and forest improvement work by private forest owners when the work is poorly profitable in terms of private economy. Based on the Act on the Financing of Sustainable Forestry, this type of support is known by its Finnish acronym Kemera.

# Who is eligible for Kemera support?



The Kemera support is intended for forest management by private forest owners. The Kemera support may be granted if

- the main purpose of a company, cooperative or other corporation that owns the forest is to practise agriculture or forestry
- all shareholders of a company, cooperative or other corporation that owns the forest are natural persons
- the main purpose of a trust that owns the forest is to practise agriculture or forestry
- at least half of the shares in a new jointly owned forest or area are owned by natural persons

# Forms of support



- Subsidy for early tending of seedling stands
- Subsidy for young stand management
- Subsidy for harvesting of small-diameter wood
- Subsidy for forest roads
- Subsidy for peatland forest management
- Subsidy for remedial forest fertilisation
- Subsidy for environmental management
- Subsidy for forest nature management

# Subsidy for early tending of seedling stands



- The subsidy for early tending of seedling stands is €160 per hectare
- Minimum size of project 1 ha (the application may include compartments of different owners around the country)
- Minimum size of single compartment 0.5 ha
- Post-tending minimum stand height 0.7 metres, maximum 3 metres
- Minimum drain 3,000 stems per hectare, in Northern Finland 2,000 stems per hectare
- Post-management maximum density 5,000 stems per hectare
- Management and maintenance obligation 7 years

# Subsidy for young stand management



- The subsidy for young stand management is €230 per hectare
- Minimum size of project 2 ha (the application may include compartments of different owners around the country)
- Minimum size of single compartment 0.5 ha
- Post-management minimum stand height 3 metres
- Basal area weighted mean diameter before and after management shall be no more than 16 cm at breast height
- Minimum drain 1,500 stems per hectare, minimum stump diameter 2 cm; minimum drain in Northern Finland 1,000 stems per hectare
- Management and maintenance obligation 10 years
- Post-management maximum density 3,000 stems per hectare. Maximum density depends on the height of the remaining stand.

# Subsidy for harvesting of small-diameter wood



- The subsidy for young stand management amounts to €230 per hectare. If small-diameter wood is harvested in connection with young stand management, the subsidy may be increased by €200 per hectare, to a total of €430 per hectare.
- The precondition for increased subsidy is that small-diameter wood is harvested by the compartment and mainly evenly, totalling a minimum of 35 solid cubic metres per hectare in Southern and Middle Finland, and 25 solid cubic metres per hectare in Northern Finland.
- The volumes of harvested small-diameter wood shall be verified by a measurement document.

# Subsidy for forest roads



- Kemera subsidy may be granted for the construction or improvement of forest roads.
- The forest roads to be improved or constructed shall be suited for year-round use with the exception of restrictions during frost heave.
- Forest road construction is only subsidised as a joint project of several estates.
- The share of forestry transports shall amount to at least half of the road use on new roads, and 30% on improved roads.

# Subsidy for forest roads



- Road improvement projects
  - the superstructure of the improved road must be at least 3.6 metres wide
  - subsidy for road improvement : Southern Finland 35%, Middle Finland 45% and Northern Finland 60% of total costs
  
- New road construction projects
  - the superstructure of the new road must be at least 4 metres wide
  - the minimum length of a new road project is 500 metres
  - subsidy for new road construction: Southern Finland 20%, Middle Finland 35% and Northern Finland 50% of total costs

# Subsidy for peatland forest management



- Peatland forest management refers to the improvement of a drained area, which may include:
  - ditch cleaning
  - supplementary ditching
  - water protection work
  - construction of ditch-side roads connected with the drained area
- In peatland forest management, the size of compartment is not limited, but the site to be subsidised shall be a uniform area measuring at least 2 ha. The subsidy is 60% of total costs when the site is a uniform area of at least 5 ha. Otherwise the subsidy is 30%.

# Subsidy for peatland forest management



- growth has clearly improved since first-time ditching
- post-management minimum mean annual increment 1.5 m<sup>3</sup>/ha without repeated fertilisation
- site requirements: in Southern and Middle Finland, equivalent to dry heathland (dwarf-shrub type drained peatland forest); in Northern Finland, equivalent to dryish heathland (*Vaccinium vitis-idaea* type drained peatland forest I-II)
- minimum size of project 2 ha
- no serious growth disturbances in growing stock
- in mature forests, improvement of water economy in connection with regeneration
- the seedling stand shall comply with the requirements of the Forest Act
- the growing stock of the whole area shall be in a silviculturally satisfactory condition with no need for felling or silvicultural work within the next 5–10 years, or the stand will be treated in connection with peatland forest management

# Subsidy for remedial forest fertilisation



- Only for remedial fertilisation
- Not for fertilisation for growth
- Remedial fertilisation is applied when, despite silvicultural measures, the development of the forest is lagging behind due to nutrient imbalance in the soil and which may be revived through fertilisation.

# Subsidy for remedial forest fertilisation



- Minimum size of site 2 ha and compartment 0.5 ha
- A peatland site shall have a nutrient level equivalent to *Vaccinium vitis-idaea* type drained peatland forest and be properly drained.
- Remedial fertilisation is carried out using ash fertiliser and boron fertiliser.
- The precondition for the subsidy is that the fertilisation has been carried out with special emphasis on minimising impacts on water and the environment as well as any other adverse effects.
- The subsidy is 30% of total costs, which may include the costs of planning, working and supplies as well as a nutrient analysis.

# Subsidy for environmental management



- The environmental subsidy is primarily intended for the preservation of the characteristic features of habitats of special importance referred to in section 10 of the Forest Act.
- The subsidy is only granted to a private forest owner.
- The precondition for the subsidy is that there is a signed agreement between the landowner and the Forest Centre. Under the agreement, the forest owner commits to preserve the biodiversity of the site as well as to exclude the site from forestry operations. An entry of the agreement is made in the Real Estate Register.
- The agreement is made for 10 years and it will remain valid even though the land is transferred in whole or in part to a new owner. The subsidy may also be granted for the preparation of an environmental subsidy agreement if done by someone other than the landowner.

# Subsidy for forest nature management



- The subsidy for forest nature management projects may be granted for
  - work covering several estates, including the management and improvement of habitats important for biodiversity as well as the restoration of forest and mire habitats
  - prevention or rectification of damage to waters caused by forest drainage, if the importance of the measure is wider than usual in terms of the management of waters and aquatic ecosystems and the costs cannot be directed at a certain causative party
  - prescribed burning to promote forest biodiversity
  - elimination of alien plant species that are harmful to forest nature and prevention of their spread into forestry land
  - other projects equivalent to those above, which promote forest nature management and multiple-use forestry as well as landscape, cultural and recreational values, and are regionally significant