

**RMK
ANNUAL REPORT
2010**





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RMK is a rational keeper, protector, and manager of the forest and other diverse and rich natural communities belonging to the Republic of Estonia.

By observing the principles of sustainable forestry, RMK strives for balance between the natural, economic, social, and cultural values.

RMK was established in 1999. It is a profit-making state agency, the only one of its kind in Estonia. RMK's function is to earn profit for the state by managing the forest, and – being the largest forest owner – ensure stability of the timber market. Tasks that do not bring direct economic benefit, but are beneficial in some other way, are equally important: creation of free leisure opportunities, sharing of nature education, and performance of necessary repair and maintenance works for nature conservation, etc.

More than 800 people work for RMK. Additionally, RMK provides jobs for thousands of people in Estonia under contracts.

Five areas of activity have been established to fulfil the obligations imposed upon RMK:

- forest administration
- forest management
- timber marketing
- visitation organisation and nature education
- plant and seed management

Elistvere Animal Park, Sagadi Forest Centre, Tartu Tree Nursery and 60% of Estonian-Finnish joint undertaking As Eesti Metsataim belong to RMK.



ISO 14001
ISO 9001



The mark of
responsible forest
management

RMK HAS BEEN AWARDED THE ISO 14001 ENVIRONMENTAL MANAGEMENT STANDARD AND THE QUALITY MANAGEMENT CERTIFICATE ISO 9001. RESPONSIBLE FOREST MANAGEMENT CAN BE SEEN IN THE SUSTAINABLE FORESTRY CERTIFICATES FSC® AND PEFC. ISO 9001 AND PEFC WERE AWARDED TO RMK IN 2010.

**THE YEAR
IN NUMBERS**

State land managed by RMK 1,090,944 ha
 ... of which state forest land 823,551 ha

Employees 851

Forest management regions 3
 Nurseries 6
 Recreational areas 13
 Forest districts 17
 Nature centres 18

Turnover EEK 1,818.3 million (EUR 116.2 million)
 Profit EEK 417.8 million (EUR 26.7 million)
 Proprietary income to the state budget EEK 50.6 million (EUR 3.2 million)
 Land tax EEK 57.8 million (EUR 3.7 million)

New forest established 4,627 ha
 Seedlings planted 10 million

Visitors to RMK recreational and protected areas 1.57 million



**WORK NEVER ENDS
IN THE STATE FOREST!**

RICHARD TUTTLE, LOG DRIVERS, FRAGMENT, 1945.
OIL ON CANNED MAPLE MUSEUM OF ESTONIA.



Aigar Kallas
Chairman of the Management Board of RMK

The changing economic circumstances of the recent years have forced difficult choices on both people and organisations. By the beginning of 2010, unemployment had reached its peak in Estonia. The number of registered unemployed was more than 100,000 people, which is almost equal to the population of Tartu. In this situation, RMK set an objective to offer a job in the state forest to as many temporarily unemployed people as possible.

We started to gradually increase the work volumes already after the structural changes in 2008. Mainly through increasing the cutting- and forest renewal work volumes, the number of people working in the state forest has increased by approximately 800 people. In 2010, more than 700 people were added, receiving additional jobs in road maintenance and reconstruction of drainage systems, practical nature conservation works, organisation of visits, plant growing and elsewhere. Since most of the state forest works are performed by undertakings, the positions were first created in the private sector. We also offered retraining opportunities at the Luua Forestry School throughout the year and involved new people, now already as RMK employees, to practical

nature conservation works. Regardless of whether a position was created in a private undertaking or in RMK, the added work volumes will not decrease and the people who have already established a relationship with the state forest can continue counting on it.

THE VOLUMES GREW

Since there were more pairs of hands, numerous necessary jobs were done. For example, the volume of practical nature conservation work, which is a relatively new field in the work of RMK, doubled in a year, and 14 EU-funded projects were started. Thanks to this, we are able to direct as much as EUR 1.3 million towards conservation of Estonian natural diversity in 2011.

The forest renewal volumes are also increasing: in 2010, we planted 10 million small trees in the state forest; in 2011, this number was already 13 million, and in the years 2013–2015 we see a need for 16 million samplings. The necessary saplings will be grown for planting in our own nurseries, as well as the nurseries of AS Eesti Metsataim. In 2010, 33 million forest plants gained strength under the care of RMK, which is one-fifth more than in the previous year.

THE MARKET FAVOURS THOSE WHO ARE ACTIVE

The timber market, which began to slowly recuperate in the second half of 2009, continued on the same course and, in retrospect, it can be said that forestry and wood processing were some of the fastest sectors to emerge from the crisis. The interest in purchases increased towards all assortments and since the prices also increased by approximately 25%, the year ended with

a record amount of sold timber, as well as the largest turnover and profit in RMK's history.

The year will certainly be remembered for its exceptionally warm summer and snowy winter. Wearisome summer weather invited people to spend time in nature; the number of visits to RMK's recreational areas and reserves amounted to 1.57 million. This is 120,000 more than last year. We are very happy that forest fires devastated the least amount of state forest in the last ten years. Efficient supervision involving all agencies, and well organised rescue work, means we can look to the future optimistically.

NATURE AND ECONOMY, HAND IN HAND

Since a large number of forest fires start because of recklessness, the smaller number of fires – just like declining amounts of garbage in forests – suggests that people are becoming more environmentally friendly. RMK continues to make its contribution with its nature educa-

tion programmes, information desks, as well as support of activities and awareness campaigns. In 2010, we started to communicate with Russian-speaking people in a more thought through manner, introducing the message of sustainability and RMK's actions in the information channels they are used to.

And finally. While 2010 marked the 100th birthday of Estonian nature conservation, 2011 has been declared the International Year of Forests by the UN, focusing on the issues of sustainable forest management. Both of these are our main fields of activity, which enable us to show that forestry management and nature conservation go hand in hand.

To characterise the different values that RMK offers to the Estonian people through its activities, the current yearbook brings out the economical, natural, social and cultural aspects of our activities.

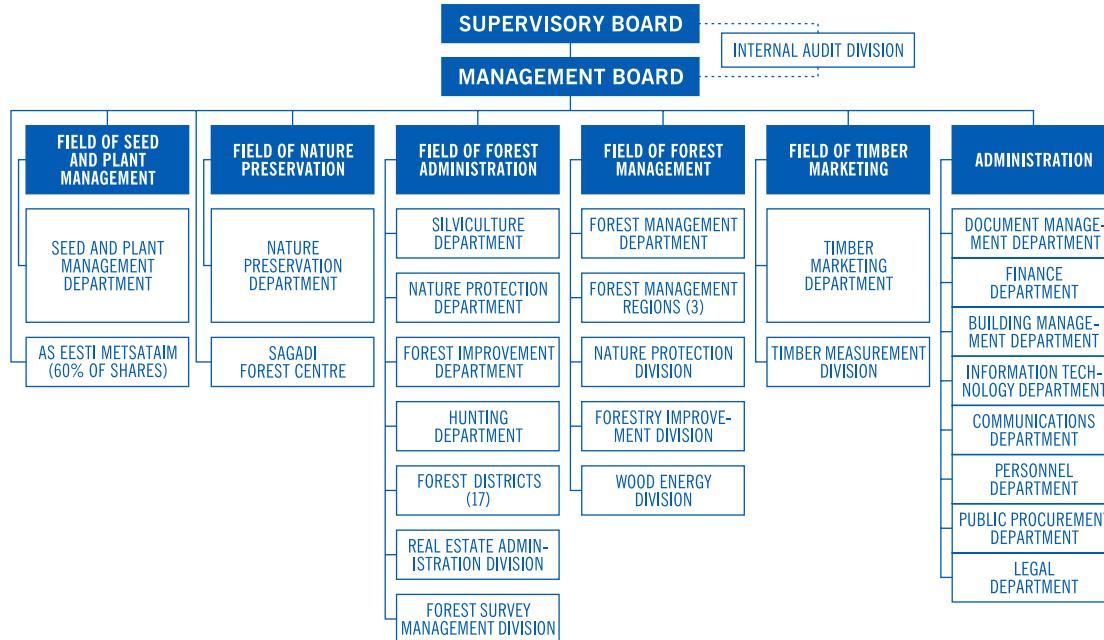
Pleasant reading!

PLANS for 2011

- Registration of 100,000 ha of unowned nature conservation- and forest land as state's property.
- Establishing a suitable structure for inventorying the added land and thus bringing the long unused lands back into use.
- Making renewal cuttings within the current volume of timber limits; increasing the area for thinning from 11,000 ha to 13,000 ha.
- Preparation of long-term nature conservation action plans and ensuring systematic performance of the most important nature conservation works on state-owned lands.
- Planting of 13 million seedlings instead of the regular 10 million.
- Creating an opportunity for the local hunters to hunt on state-owned lands for a fair fee, and thus ensuring the balance between the objectives of state forest growing and conservation of game population.

STRUCTURE

- The Nature Protection Division changed its organisation of work; provision of recreation possibilities on recreational areas, national parks and other protected areas now takes place via 11 districts.
- The Hunting Management Department ceased to exist as an independent field from the beginning of 2011. The hunting activities in RMK's forests are coordinated by the Hunting Department under the Field of Forest Administration.
- In the Field of Forest Administration, the departments of Silviculture, Forest Improvement and Nature Protection were established on the basis of the former Forest Management Department.
- The Silviculture Department coordinates the work of forest districts and determines the long-term silvicultural objectives.
- The Forest Improvement Department preserves an overview of the situation of RMK's forest roads and forest drainage systems, as well as plans their renewal and reconstruction. The necessary work is done by the Forestry Improvement Division under the Field of Forest Management.
- This principle was also implemented for nature protection works – The Forest Administration plans and controls and the Forest Management performs.



OSKAR KALLIS. KALEVIPOEG BEARING PLANKS. FRAGMENT. 1914. PASTEL ON PAPER. ART MUSEUM OF ESTONIA.

JANUARY

To take the place of Ülle Rajasalu, who had become Harju County Governor, Mati Polli was assigned as the new Member of the Supervisory Board of RMK and later its Chairman.

FEBRUARY

RMK became the official partner of Matsalu Nature Film Festival, organising events developing nature awareness at the festival that took place in September.



PHOTO: AGO RILUS

AMONG OTHER INTERESTING EVENTS, A PHOTO EXHIBITION WAS HELD AT MATSALU NATURE FILM FESTIVAL.

MARCH

The campaign "Loodusega koos" (Together with Nature), taking place until the end of the year and celebrating the 100th birthday of Estonian nature conservation, got underway.

SEVERAL ESTONIAN CULTURAL AND PUBLIC FIGURES PARTICIPATED IN CELEBRATING THE JUBILEE OF ESTONIAN NATURE CONSERVATION, INCLUDING NATURE MAN HENDRIK RELVE.



PHOTO: AREK JÕEPERA

During family day at Aegviidu-Kõrvemaa recreation area, almost 700 participants were given the opportunity to hike in snowshoes, ride a kick sledge, drive a snowmobile, make different items, and build things.

In four Estonian counties, 153 people passed the training of heritage culture stock takers; 67 of them started working for RMK in Tartu, Põlva, Pärnu and Viljandi counties.

RMK and the Eagle Club entered into a cooperation agreement to ensure better protection of birds.



PHOTO: URIMAS SELLIS

13 NEW WHITE-TAILED EAGLE NESTS WERE DISCOVERED IN STATE FORESTS LAST YEAR.

APRIL

For the ninth time already, an interactive forest quiz for schools took place with 5261 participants.

Due to the nesting time of birds and animals, an annual two-month felling-free period was announced in state forests.

The first nine people who had acquired a new profession from the Luua Forestry School, under the retraining programme of the Estonian Unemployment Insurance Fund, started with practical nature conservation work as employees of RMK.

A family exhibition "Ahhaa, now into forest!" was opened in the Science Centre AHHA in Tartu, allowing for the RMK exposition "A footprint in the forest" to be seen.



PHOTO: TRINU SAETALLU

THE INTERACTIVE FOREST EXHIBITION HAS TRAVELLED ALL ACROSS ESTONIA OVER THE LAST FEW YEARS, AND HAS OFFERED THE FUN OF EXPLORATION TO THOUSANDS OF VISITORS.

MAY

In Sagadi forest museum, a permanent exhibition "Mets toidab" (Forest Feeds) was opened, illustrating how the forest provides food for people, animals, economy and culture.

Under the citizen's initiative Teeme Ära, a national day of civil actions took place and RMK prepared almost 100 bee areas for that purpose.



PHOTO: KALPO KALDA

WHERE THERE'S A WILL THERE'S A WAY TO PARTICIPATE IN JOINT ACTIVITY AT ANY AGE.

In Lääne-Viru County, a photo hunt for pine martens took place; the winning photo of the XIII Bloodless Hunt was Indrek Ilomets's picture of a marsh-harrier who had caught a field-vole. This time, the "official prey" of the photo hunt was not captured by the hunters.



PHOTO: INDEK ILOMETS

THE BEST SHOT FROM PHOTO HUNT: MONTAGU'S HARRIER WITH ITS PREY.

The first nature centre near Tallinn was opened in Viimsi.



PHOTO: SIRLU VIJAR

THE MAIN EMPHASIS OF THE TRAINING PROGRAMMES OFFERED IN VIIMSI IS ON INTRODUCING NATURE FOUND IN SUBURBAN AREAS.

JUNE

According to the employer reputation study carried out by the market research company TNS Emor, RMK is one of the three most preferred employers among the employed population.

Forest planting that took place from April to June provided temporary work for more than 1000 people, who helped to plant more than 10 million saplings.



PHOTO: JURI PERE



PHOTO: JURI PERE

THE GREEN ACTS OF EMT CLIENTS WILL BE GROWN HIGHER IN THE STATE FOREST.

AUGUST

To celebrate the 100th birthday of Estonian nature conservation, birthday cake was offered in all RMK nature centres on 14 August. The largest celebrations, with approximately 1500 participants, took place in Vilsandi National Park in Saaremaa, since the establishment of the Vaika bird protection area near Vilsandi is considered to be the birth of Estonian nature conservation.

JULY

RMK's Southeast team won the professional forestry competition; in total, their skills and knowledge were shown in 16 different areas.



PHOTO: JURI PERE

THIS WAS THE 43RD TIME THAT THE VOCATIONAL COMPETITION WAS HELD. AMONG OTHER EVENTS, COMPETITORS RAN AROUND A LAKE IN JÄRVSELJA.



PHOTO: JURI PERE

FIRST A HIKE, THEN THE BIRTHDAY CAKE AND A WELL-EARNED REST ON THE GRASS, LISTENING TO GOOD MUSIC.

Estonian forests were ravaged by storms, causing the most damage in Lääne-Viru, Võru, Tartu and Jõgeva counties.



CLEAR-CUTTING OF 640 HECTARES WAS PLANNED IN IDA-VIRU COUNTY – OF WHICH THE STORM KNOCKED DOWN APPROXIMATELY 430 HECTARES.

In Varbola Stronghold, chainsaws could be heard for four days in a row because RMK and the Society of Culture and Education of Varbola jointly organised the 14th Wood Days.



ERKKI LEPIK PUTTING THE FINISHING TOUCHES ON HIS WORK.



THE RECORD INCLUDES BOTH OLD AND WELL-KNOWN PIECES, AS WELL AS FRESH MUSICAL CONTEMPLATIONS ON THE LYRICS OF VLADISLAV KORZETS, HEITI TALVIK, JAAN KAPLINSKI, AND OTHERS.

Riho Sibul, Jaak Tuksam, Bonzo and other popular Estonian musicians recorded 14 forest-inspired songs, at RMK's request, creating a lovely tribute to Estonian nature.

SEPTEMBER

37 RMK's forest managers passed an extensive training, after which stocktaking of key habitats is now also a part of their everyday assignments.

OCTOBER

Estonia's oldest tree nursery, RMK Tartu Tree Nursery, which grows local decorative plants, celebrated its 50th birthday and customers were taken by several generous surprises.

The best students from the Estonian University of Life Sciences and Luua Forestry School were awarded grants by RMK.

The heritage culture maintenance and conservation area of Koiva River, which runs through the counties of Valga and Valka, was opened as the culmination of

Estonian and Latvian cooperation, covering 80 kilometres of forest trails.



THE BEAUTY OF HISTORY CAN BE SEEN ON THREE TRAILS: 2, 18 AND 60 KILOMETRES LONG.

NOVEMBER

The campaign "Together with Nature" ended with music, when the last hiking and music event organised to celebrate the jubilee of Estonian nature conservation was held in Karula National Park. The special guest was Tõnis Mägi.



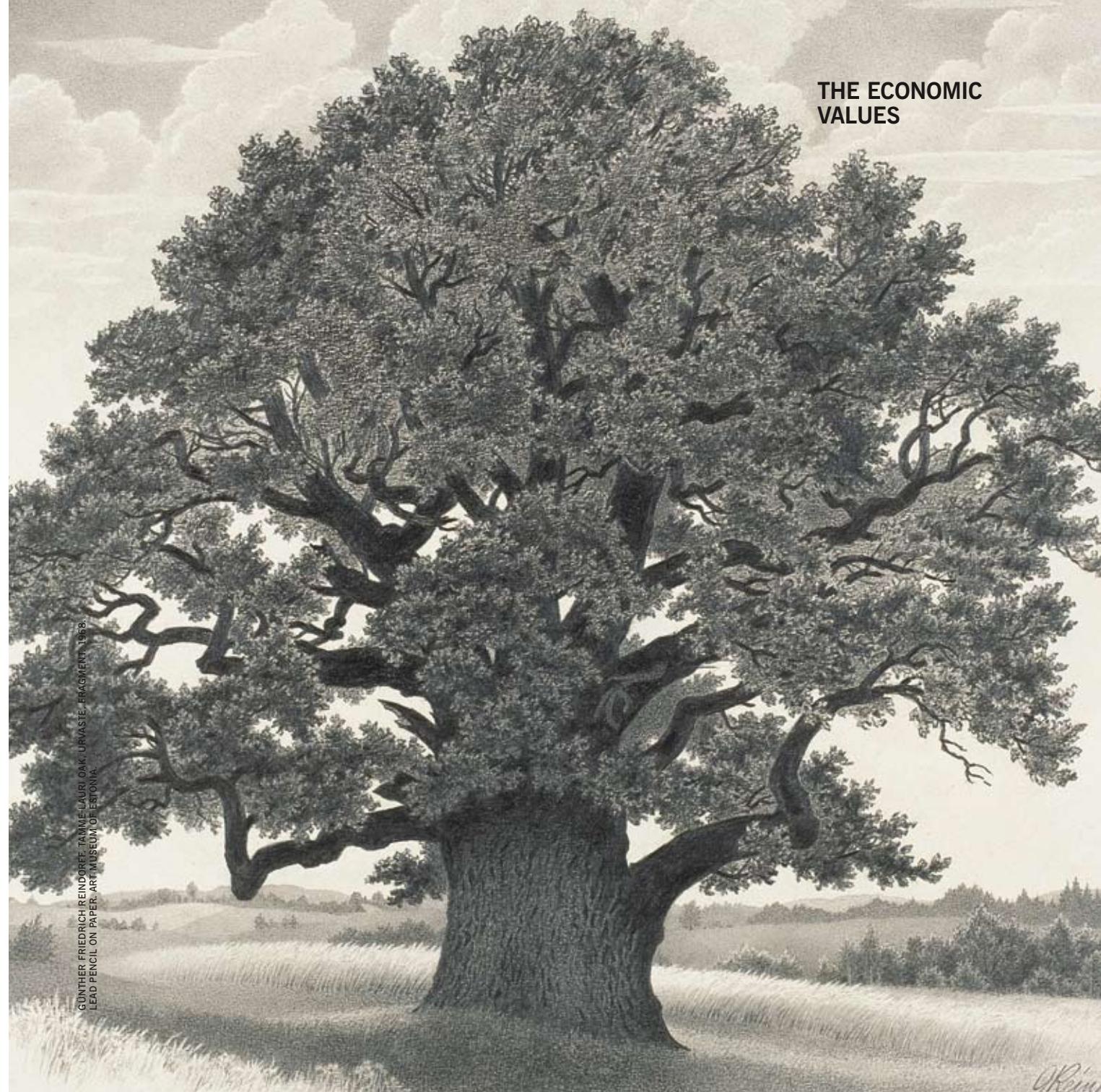
THROUGHOUT THE YEAR, A TOTAL OF NEARLY 30 000 PEOPLE TOOK PART IN THE "TOGETHER WITH NATURE" CAMPAIGN EVENTS.

DECEMBER

RMK was awarded the PEFC Sustainable Forest Management certificate and the quality management certificate ISO 9001.

Almost 4600 Christmas trees were brought from the state forest; everyone could pick the right tree, either on guided tours or on their own.

THE ECONOMIC VALUES



GUNTHER FRIEDRICH REINDORFF: TAMME-LAURI OAK. URVASTE. FRAGMENT. 1968. LEAD PENCIL ON PAPER. ART MUSEUM OF ESTONIA.

THE YEAR IN NUMBERS

State forest reserve	146 million m ³
Renewed forest area	4,627 ha
Sold timber	2.8 million m ³
... of which forest material	2.6 million m ³
... of which wood chips and cutting waste	0.2 million m ³
Profit from sale of forest materials	EEK 1.4 billion (EUR 87.4 million)
Sold forest plants outside of RMK	4.1 million
Profit from the sale of forest plants to private consumers	EEK 1.6 million (EUR 0.1 million)
Decorative trees and bushes sold	56,000 pcs
Profit from the sale of decorative trees and bushes	EEK 3 million (EUR 0.2 million)
Number of RMK cadastral units	9,707
Number of RMK buildings	640
...of which are in use	370
Profit from the sale of real estate	EEK 0.4 million (EUR 26,000)
Reconstructed and renewed drainage systems	5,780 ha
Total extent of the drainage systems on state forest land	444,205 ha
Reconstructed and renewed forest roads	181 km
Total extent of forest roads on state forest land	8,400 km
Investments in forest improvement works	EEK 74.6 million (EUR 4.8 million)
Quarried sand and gravel	25,753 m ³
Sold sand and gravel	8,360 m ³
Profit from the sale of sand and gravel	EEK 0.8 million (EUR 49,000)

OVERVIEW OF THE FOREST LAND

RMK area of forest land and reserves by species of trees

Species	Area		Stock		
	ha	%	m ³	%	m ³ /ha
Pine	364,528	44.3	71,801,000	49.3	197
Birch	239,242	29.0	38,023,000	26.1	159
Spruce	169,476	20.6	27,440,000	18.9	162
Aspen	27,192	3.3	4,445,000	3.1	164
Black Alder	12,346	1.5	2,322,000	1.6	188
Grey Alder	7,009	0.8	883,000	0.6	126
Others	3,758	0.5	587,000	0.4	156
Total	823,551		145,501,000		177

TREE CUTTING WORKS

Cutting in state forest (ha)	2006	2007	2008	2009	2010
Renewal cutting	6,743	6,057	6,068	7,324	8,293
Thinning	6,928	7,639	9,308	8,597	11,136
Sanitary cutting	8,767	4,623	3,461	7,610	6,174
Selection cutting	73	58	9	0	2
Deforestation	578	822	905	702	421

Exceptional August storms

In July and August, heavy storms damaged Estonia's forests, bringing about the need for emergency clear cutting and heavy sanitary cutting.

670 ha of forest with a timber volume of 150,000 m³ needed clear cutting due to its

condition, and sanitary cutting was needed on 1500 ha with a timber volume of 35,000 m³.

The strong gusts of wind did the most damage to the forests of Lääne-Viru County, where 430 ha of forests needed clear cutting. The forests were heavily damaged also in Võru, Jõgeva and Tartu counties.

In order to eliminate the storm damage, RMK altered its cutting plans and directed contractors to the areas that needed quick action. The exceptional month of August had such an impact on the annual cutting volume that RMK had to apply for a 10% increase in the annual optimal volume of use of fir forests from the Minister of the Environment.

Due to the constant need for firewood, RMK allowed local people to do sanitary cutting in the less hazardous areas. This opportunity was actively used.

FOREST RENEWAL

Volume of forest renewal	2006	2007	2008	2009	2010
Mineralisation of the ground, ha	4,352	3,944	3,500	3,585	4,120
Total sowing and planting, ha	4,758	4,649	4,886	4,211	4,410
... of which sowing, %	13	14	16	13	20
... of which planting, %	87	86	84	87	80
Planted seedlings, mln	9.9	9.8	10	10	10
... of which container seedlings, %	32	35	40	34	33
Helping natural renewal, ha	0	99	141	141	217
Supplementing forest renewal, ha	2,036	2,409	1,768	1,630	2,177
Maintaining forest renewal, ha	12,090	12,338	13,700	12,057	13,391
Underwood renewal (ha)					
Thicket tending	11,357	11,836	14,013	12,220	14,121
Forest renewal by the main tree species (ha)					
Fir	2,784	2,672	2,838	2,621	2,473
Pine	1,405	1,639	1,679	1,393	1,828
Birch	508	417	476	313	294
Others	61	20	34	24	27

TIMBER MARKETING

Sale of forest material (m³, %)

	2008	2009	2010
Logs	992,000 47%	1,084,000 46%	1,152,000 41%
Paper wood	777,000 37%	939,000 40%	1,174,000 41%
Fire-wood	323,000 15%	259,000 11%	250,000 9%
Wood chips and cutting waste		71,000 3%	268,000 9%

Largest clients by the amount purchased (m³)

Stora Enso Eesti AS	358,000
Horizon Tselluloosi ja Paberi AS	218,000
Estonian Cell AS	204,000
Metsäliitto Eesti AS	166,000
Eesti Energia Narva Elektriijaamad AS	165,000
Södra Eesti AS	105,000
Toftan AS	95,000
Viiratsi Saeveski AS	94,000
Vara Saeveski OÜ	76,000
Lignator Logistika OÜ	72,000

Record amount of timber

Economic recovery in the forestry sector took place faster than expected at the beginning of the year, and RMK managed to sell the largest annual amount of timber in history – 2.83 million m³. Sale of timber increased by 20% during the year, 2.57 million m³ of which was forest material and 0.26 million m³ wood chips and cutting waste.

Unlike 2009, there was a market for all lines of goods. The strongest recovery was seen in the market of paper wood. Although the amount of wood chips sold multiplied, the expectations for this line of goods were even higher.

The average price of the forest material sold was 636 EEK/m³, the corresponding figure for wood chips was 548 EEK/m³ and for cutting waste 138 EEK/m³. The price of forest materials increased by 24% during the year and the price of wood chips went up by 5%.

Logs made up 41%, paper wood 41%, firewood 9% and wood chips and cutting waste also 9% (mostly wood chips) of the sales volume of 2010.

In 2011, RMK plans to sell the same amount of timber, and since the prices of raw materials have increased, the profit from the sales of timber will probably rise.

PEFC

More choices on the market of certified timber

At the end of 2010, RMK was awarded the PEFC sustainable forest management certificate. This addition to the present FSC certificate brings new opportunities to the entire forest and timber industry of Estonia.

The largest neighbouring market that values timber with the PEFC sustainable forest management certificate is the cellulose- and paper industry of the Nordic countries, to which most of Estonia's fir, pine and paper birch timber are exported.

As at the beginning of 2011, there are 14 owners of a PEFC certificate in Estonia,

including forest owners, timber undertakings and printing houses. Several undertakings have applied for the PEFC supply chain certificate, since they can now purchase certified timber from state forests and thus produce products that are highly valued in Europe.

State forests were certified by AS Metroser.

PEFC forestry certification system was established in Europe in 1999 to promote sustainable forest management and, first and foremost, involve small forest owners.

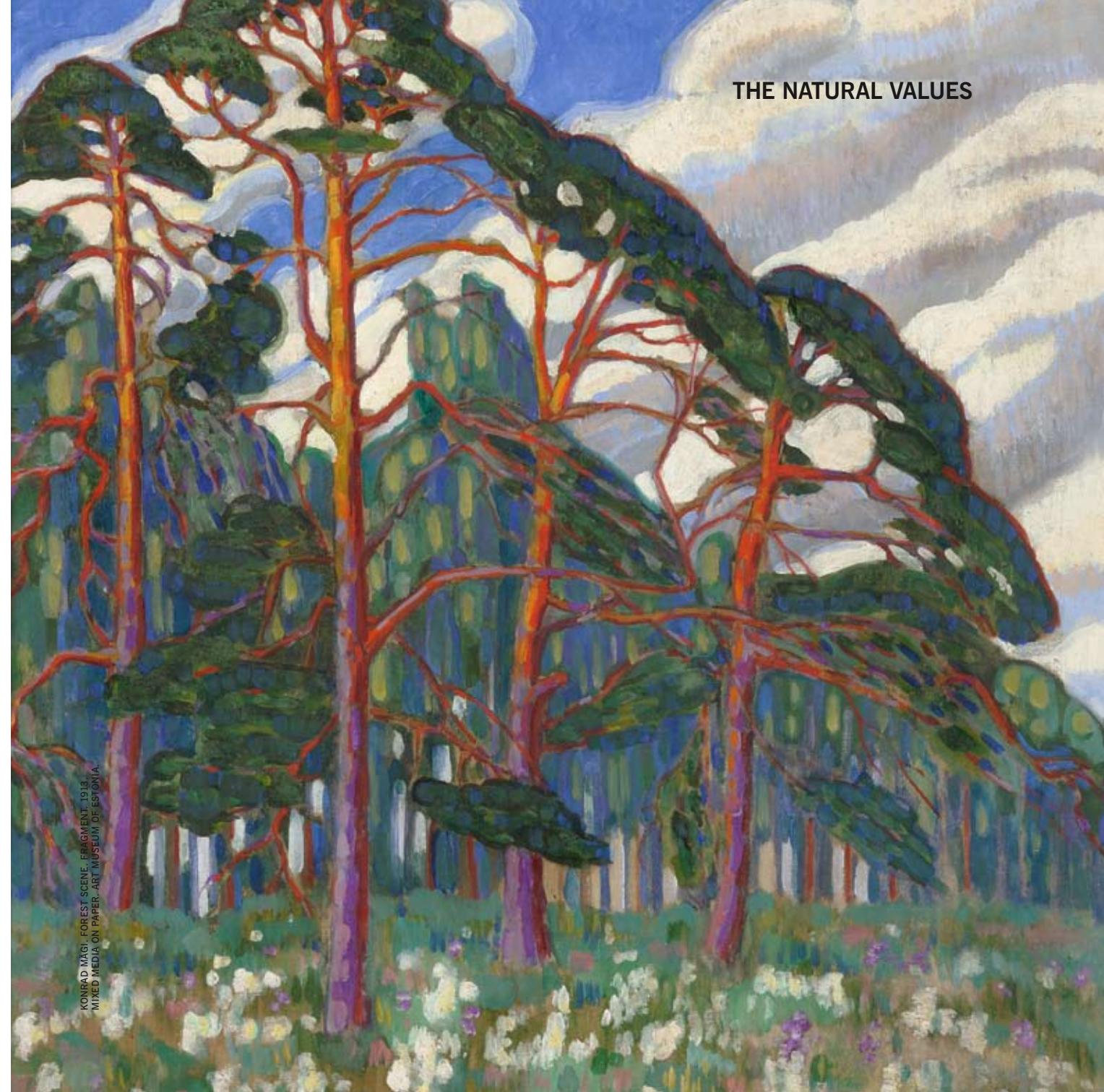
RMK has held the FSC sustainable forest management certificate since 2002.

QUARRYING OF SAND AND GRAVEL

Quarrying of sand and gravel on the land of RMK (m³)

Year	Quarry					Total
	Karujärve gravel quarry	Putla sand quarry	Silgi sand quarry	Pajaka earth material quarry	Taganõmme sand quarry	
2006	100	102		4,500		4,702
2007	2,297	160	595	3,600	3,378	10,030
2008	3,328	75	2,400	2,550	3,610	11,963
2009	4,022			7,497	12,098	23,617
2010	7,741				18,012	25,753

THE NATURAL VALUES



KONRAD MÄGI. FOREST SCENE. FRAGMENT. 1918. MIXED MEDIA ON PAPER. ART MUSEUM OF ESTONIA.

**THE YEAR
IN NUMBERS**

Increase in the area of strictly protected state forest ... **2,001 ha**
 Increase in the area of state forest
 with economical limitations **21,624 ha**
 Decrease in the area of the managed state forest **17,440 ha**

Key biotopes **13,506 ha**
 Species that have been placed under protection **382**

Trees planted in the state forest **10 million**

Realized forest seed **1,151 kg**
 New stocked seed **191 kg**
 Total balance of seeds **3,931 kg**

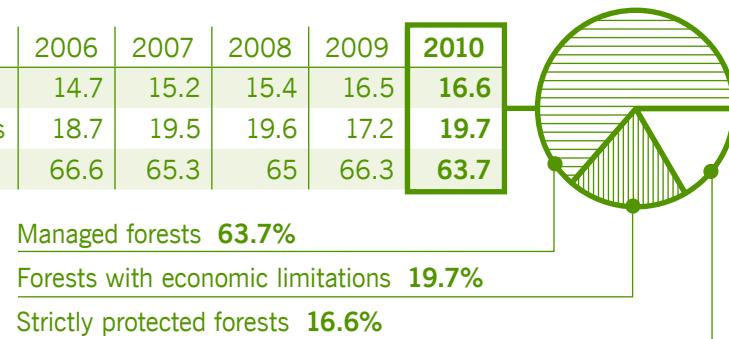
Maintained fire protection strips **204 km**

Processed management plans **47**
 Processed protection rules **79**

Cost of practical nature conservation works **EEK 3.7 million (EUR 0.2 million)**

**DIVISION OF
STATE FOREST (%)**

	2006	2007	2008	2009	2010
Strictly protected forests	14.7	15.2	15.4	16.5	16.6
Forests with economic limitations	18.7	19.5	19.6	17.2	19.7
Managed forests	66.6	65.3	65	66.3	63.7



SPECIES UNDER PROTECTION

The most efficient eagle protection

A total of **382 species** have been registered in the RMK areas, of which 27 were added in 2010. Correspondingly 3 and 6 of the most strictly protected species of categories I and II were discovered, and 18 species of category III with a less strict protection regime were registered.

Next to the protected species, the number of habitats of the protected species is an important indicator. Habitat is the growth place of a specimen of a species or for plants that grow in groups, the growth place of a group, the nesting place of birds, etc. In the areas of RMK, there were **10,460 habitats of protected species** in total, as at the end of 2010; 1632 new habitats were found during the year.

Special attention was focused on eagles in 2010, all of whom are under strict protection in Estonia. RMK and the Eagle Club entered into a cooperation agreement in March, according to which the Eagle Club will also notify RMK, in addition to the Environmental Board, of the location of protected species' nesting trees found in the state forest. The faster exchange of information enables RMK to implement an immediate temporary tree felling prohibition until an official protection obligation notice is received.

RMK's forest managers and foresters – who passed training on finding and distinguishing the nesting trees for that purpose – will be looking at the treetops more while preparing for work, and shall immediately convey any findings of nesting trees to the Environmental Board and the Eagle Club.

New species that have been placed under protection

- Protected category I: hawksbeard, blue lungwort and mountain parsley
- Protected category II: giant shield lichen, spring vetch, Siberian oat grass, korallblylav, yellow drop milkcap and *chaenotheca gracilentia*
- Protected category III: *junghuhnia pseudozilingiana*, giant knight, bumblebee, early bumblebee, common ringed plover, parrot crossbill, powdery kidney lichen, lecidea lichen, megalaria lichen, honeycombed lichen, sparrow hawk, sheldrake, water rail, middle spotted woodpecker, bearded jellyskin, sphagnum, weigel and little ringed plover

**PROTECTED AREAS
IN STATE FORESTS (ha)**

* PA = Protected Area
 ** SPS = Species Protection Site

Special mgmt. zone of the PA*	105,634
Limited mgmt. zone of the PA	54,818
Limited mgmt. zone of SPS**	27,887
Special mgmt. zone of SPS	18,766
Special conservation area	14,792
PA without protection rules	3,031
Strict nature reserve of a PA	2,315
Single object in nature	90

KEY BIOTOPES

Forest managers introduce key biotopes

There are **13,506 ha of registered biotopes** on the lands of RMK, 27 ha of which were added in 2010. As an important change, RMK's forest managers have also been taking stock of the key biotopes since the autumn of 2010.

The **corresponding certificate was awarded to 37 of RMK's forest managers**; the competency examination was taken in front of a Committee of the Ministry of the Environment. Before the examination, there were two weeks of in-service training during spring and autumn periods, during which the mosses, lichens and mushrooms that indicate a key biotope were studied.

RMK's forest managers have described the special natural values of the forest in addition to the indicators characterising growth of the forest before, thus it was reasonable to provide them with official additional competency. A uniform system helps to quickly correct any mistakes in defining a key biotope and to take new areas under protection; this in turn allows for a greater emphasis to be placed on protecting the biological diversity of state forests.

A key biotope is an area of up to seven hectares that needs protection, is located outside of a protected nature object, and is highly likely to accommodate endangered, possibly endangered or rare species.

FOREST FIRES	2006	2007	2008	2009	2010
Number (pcs)	134	36	25	20	13
Area (ha)	1,785	73.8	837.2*	32	19
Average fire area (ha)	13	2	33.5**	1.6	1.5

* Including the Vihterpalu fire, 803.7 ha
 ** Excluding the Vihterpalu fire, 1.4 ha

Thankfully forest fires were a relatively rare event during the past hot summer, resulting in the smallest number of forest fires in the last five years.

NATURE CONSERVATION WORKS

Cost of nature conservation works

2009		EEK 2.1 mil. / EUR 0.1 mil.
2010		EEK 3.7 mil. / EUR 0.2 mil.
2011 estimate		EEK 20.3 mil. / EUR 1.3 mil.

The volumes of nature conservation works are increasing by many times

Carrying out practical nature conservation works in the areas belonging to the State is a field to which increasing amounts of money are directed each year and the success of which helps to ensure natural diversity in Estonia.

In 2010, RMK used EEK 3.7 million (EUR 0.2 million) for practical nature conservation works, EEK 529,000 of which was target financed by the Environmental Investment Centre. The most means were used to tend and renovate parks.

Works were carried out in **20 parks** all across Estonia. The largest number of parks were reconditioned in Jõgeva and Valga counties, but there were other interesting objects as well, for example, the park of Alatskivi manor in Tartu County. In addition to the regular maintenance works, significant storm damage needed to be eliminated in Anija and Elistvere parks. After the storm, the well-known Pühajärve war-oak also needed "repairs". The project for reconstruction of the alleys in Palmse Park was completed.

In addition to park maintenance, a great deal of effort was put into works involving landscape formation and species protection. For example, the sand area on Mustaoja landscape protection area was restored, new habitats were created and the old ones maintained for natterjacks in Nõva, and the views were broadened on the landscape protection area on the Pirita River.

In cooperation with the Estonian Unemployment Insurance Fund, employment contracts were

concluded with more than 20 people for carrying out nature conservation works. In addition to its own employees, RMK also used contractual partners; services were bought from almost 30 undertakings.

In 2010, numerous activities were started, but the practical part of them will remain for the following year. **14 projects funded by the European Regional Development Fund** were initiated; the most voluminous and expensive of these were related to construction of crossings in Matsalu National Park and the marking of nature objects under protection. In addition, works supported by EU funds are taking place in Karula and Soomaa Natrional Parks, Otepää Nature Park, Ohpalu, Padakõrve and Põhja-Kõrvemaa ecological reserves and Rannamõisa landscape protection area, Sangaste park forest and Elistvere manor park are being reconstructed and 25 old trees tended. In total, nature conservation works for 2011 are estimated to cost EUR 1.3 million.

FOREST CLEANING

Garbage collection in state forest

	2006	2007	2008*	2009	2010
Amount (kg)	590,000	430,000	1,500,000	250,000	146,000
Expenses (EEK)	780,000	730,000	2,700,000	490,000	329,000

* Includes the garbage collected during the day of civil actions "Teeme ära!"; RMK also supported the initiative financially.

The nature of garbage reflects the developments of society

In 2010, RMK collected **146 tons of garbage** from state forests, which is 42% less than a year before and one fourth of the amount of garbage collected four years ago.

Thanks to prevention and awareness-cleaning campaigns, the situation has improved noticeably, but littering is still a problem in state

forests around bigger towns, first and foremost in **Harju, Ida-Viru and Tartu counties**.

The nature of the garbage dumped in the forest reflects the processes taking place in society and the economy. For a long time, construction waste was a big problem; with the settling of the construction market, its volume has

significantly decreased. The trend of bringing tyres to forests has also declined, but a sad tendency can be seen – the tyres are brought in with large truckloads. It means that some undertakings get rid of their waste this way and monitoring all temporary and small tyre exchange and sales points may help to identify them. In this unfortunate situation it is positive that RMK can give the tyres found under forests away for free to the collection points of the Estonian Tyre Association.

Next to household waste, RMK found almost 9 tons of hazardous waste in state forests last year. Most of it was asbestos cement. There were also some shocking findings, for example, a 100 kg barrel of toxic chemicals was found in Tartu County. In Harju County, with the help of specialists, 140 kg of soil contaminated with mercury and 1 kg of mercury residues were discovered and eliminated on Pakri peninsula.

When you see a polluter in the forest, inform the Environmental Inspectorate by calling **1313** (open 24h).

PLANT GROWING

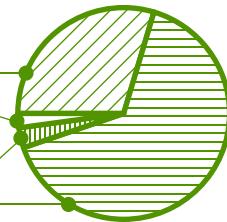
Estonian seed stock (total 3,931 kg)

Fir seed **1,167 kg**

Other seeds **84 kg**

Silver birch seed **128 kg**

Pine seed **2,552 kg**



A greener Estonia

New trees are planted on all clear cut areas of state forest. Almost all plants needed for forest renewal are planted by RMK in its own nurseries; on average, these hold 10–11 million trees annually.

Since the RMK development plan foresees an increase in the volume of planting materials to 16 million plants, sowings were increased in nurseries in 2010 and a new greenhouse was constructed for AS Eesti Metsataim. Compared to the previous year, the production volume increased by 22% and more than **33 million forest plants** grew under the care of RMK

across Estonia. Next year, the volume will continue to be increased.

The technological innovation of 2010 was growing **fir seedlings using the pot-field system**. A plant that has grown for one year in a pot and a year or a two on a field develops better roots, it is more vital, and becomes ready for planting at an earlier stage. 1.3 million fir saplings were grown in 2010 using the new system, and planted in fields in the spring of 2011.

One of the tasks of RMK is ensuring sufficient seed stock. By the end of 2010, the **total surplus of seeds was 3931 kg** which would cover the needs of the State for at least three years.

RMK's nursery and seed management section is managed from Tartu. The nurseries are located all across Estonia: in Isaku, Rāpina, Reiu near Pärnu, Kullenga near Rakvere, Purila near Rapla and in Rulli near Tõrva. RMK also owns 60% of the Estonian-Finnish joint enterprise AS Eesti Metsataim, which produces plants in Kilingi-Nõmme for both the Estonian and Finnish state forests.

THE SOCIAL VALUES



ELMAR KITS. SPRING. FRAGMENT. 1961. OIL ON CANVAS. ART MUSEUM OF ESTONIA.

THE YEAR IN NUMBERS

Number of visits to the state forest and protected areas **1.57 million**

Recreational areas	13
National parks	5
Other nature reserves	40
Information offices	27
Nature centres	18
Nature houses	4
Nature school	1

Visitors

... to information offices	59,424
... to Elistvere Animal Park	47,833
... to Sagadi Forest Museum	23,600

Participants

... in nature education programmes	42,231
... in the events of the campaign "Together with Nature"	30,000

Investment for nature holiday and -education **EEK 63.6 mil. (EUR 4.1 mil.)**

RECREATIONAL OPPORTUNITIES IN STATE FOREST AND PROTECTED AREAS

almost **2,000 km** of hiking trails
309 fire places
44 camping sites
24 huts
18 forest houses
3 cross-country areas

Number of visits to RMK areas	
year	visits
2006	625,000
2007	820,000
2008	790,000
2009	1,450,000
2010	1,570,000

Visitor satisfaction with the nature activities offered (on a 5 point scale)	
2003	4.1
2006	4.2
2010	4.3

NATURE EDUCATION

Nature education programmes and participants	2006	2007	2008	2009	2010
Nature programmes organised	684	885	1,276	1,868	1,926
Participants in nature programmes	15,014	20,221	26,196	39,395	42,231

Throughout the year, RMK organised **1926 nature programmes for 42,231 participants**, which is more than in previous years. **Sagadi Forest Museum** was visited by 23,600 people.

People could also improve their knowledge about nature virtually – 5261 students from 346 classes participated in the 9th annual **forest quiz**. This interactive quiz has become an acknowledged way to diversify nature studies.

The end of May brought good news for the people in Tallinn and Harju County, since the first near-city **nature centre** was opened in **Viimsi**. The study programmes concentrate on introducing near-city nature, for which mostly Tädu nature trail in Viimsi and the Harku forest nature trail are used.

Three times a year, RMK organises campaign programmes in the nature centres for all schools and kindergartens, providing practical training free of charge. Next to kindergarten and school children, also families, friends and working teams are invited to participate in the programmes on different topics.

In total, RMK has 18 nature centres and 4 nature houses across Estonia, as well as a nature school in Sagadi. Information on forest holiday is available in 27 information offices.

SAGADI FOREST CENTRE

Attendance at Sagadi forest centre	2006	2007	2008	2009	2010
Visitors to the Forest Museum	26,922	23,341	25,000	21,497	23,600
Accommodation clients	4,148	8,577	8,147	6,187	7,457

NATURE CONSERVATION 100

Jubilee celebrations throughout the year

To celebrate the 100th birthday of Estonian nature conservation, RMK organised a year-round social campaign “Loodusega koos” (Together with Nature). It was aimed to bring people closer to nature, introduce the development of Estonian nature conservation, and to promote environmentally friendly behaviour.

During the year, five public competitions took place, as well as more than a hundred exciting music, hiking and training days. More than 30,000 people participated in the events, and through mass media channels the number of people involved reached into the hundreds of thousands.

Riho Sibul and Vladislav Koržets wrote a theme song for the campaign – “Mets on rohkem kui mõistame mõõta”. This and several other beautiful songs inspired by Estonian nature were also recorded and can be bought from the RMK nature centres.

The birthday of Estonian nature conservation is considered to be 14 August 1910 when, under the initiative of the bird-loving lighthouse keeper of Vilsandi Island, Artur Toom, as well as help of the Riga Association of Naturalists, the first nature reserve was established to ensure safe nesting of the birds of that area – the **Vaika bird protection reserve**. Today, Vaika Islands are part of Vilsandi National Park.

While 2010 was dedicated to nature conservation, in 2011, an International Year of Forests is being celebrated in Estonia and all across the world, focusing on the issues related to sustainable forest management.



SEVERAL ESTONIAN CULTURAL AND PUBLIC PERSONS TOOK PART IN CELEBRATING THE JUBILEE OF ESTONIAN NATURE CONSERVATION, INCLUDING ARTIST HEINZ VALK, MUSICIAN RIHO SIBUL, SKATER JELENA GLEBOVA, TOP CHEF ROMAN ZAŠTŠERINSKI, ACTRESS ANNE REEMANN, AND NATURE MAN HENDRIK RELVE.

There were several ways to be together with nature:

- hiking and music in five Estonian national parks
- competitions defining the relationship between humans and nature
- special programme for schools and kindergartens
- birthday cake in all nature conservation centres on 14 August
- numerous regional events

From the forest of thoughts to the serenity of the forest

The competition 100 Wishes and Prayers invited people to play with words. Among the slogans dedicated to nature, the jury, presided over by poetess **Doris Kareva**, selected the following entries as the best: “Head lapsed, need kasvavad metsaga!” (Good children grow up among forests), “Mõttemetsast metsamõnusse” (From the forest of thoughts to the serenity of the forest) and “Sada sajajalgset, viiskümmend viinamäetigu, kümme krüüslit, viis viigerhüljest, kaks kahejalgset – üks maailm” (Hundred centipedes, fifty vineyard snails, ten guillemots, five seals, two on two legs – one world). The special prize for joyfulness was awarded to the slogan “Minu korv! Minu kübar! Minu laps! Minu mets ootab mind!” (My basket! My hat! My child! My forest is waiting for me!).

Chanterelle Napoleon

The competition 100 Cake Recipes was looking for interesting ideas on how to use our local forest products in an innovative way in the art of cooking. The jury, headed by top chef **Roman Zaštšerinski**, worked hard on their tasty task, and decided that the best recipe was the one for Chanterelle Napoleon cake. Special prize for clever serving went to the piece of art named “Weed pot” in which a chocolate cake bottom was placed in a flower pot and decorated with sea stone candies and a bit of lemon balm.

The most beautiful place is in Kilingi-Nõmme

In the competition 100 Favourites in Nature, RMK presented 100 nature objects for judging, all located in the state forest, in order to select the place that has the best aura in Estonia, as **Hendrik Relve**, head of the jury, put it. On public voting, the loveliest place award went to the Kilingi-Nõmme forest house, in Pärnu County. Elistvere Animal Park, Vainoepa parking lot, Meenikunno hiking trail, Oru Park, and the Rannametsa-Tolkuse nature trail, were also popular.

Budding spring on a postcard

In the postcard competition 100 Nature Postcards, Estonian students were invited to observe the budding spring and draw what they saw on a postcard. 1356 drawings were received, and with the help of **Navitrolla**, head of the jury, the ten best were selected.

What's gone is gone...

By organising the forest picture competition 100 Pictures of the Forest, RMK wanted to mediate the rules of spending time in nature through attentive eyes, thus creating educational pictures. The jury, led by **Heinz Valk**, awarded the prize to Mari-Liis Kasak's photo “Mis lännu, tuu lännu, kõik puu om ütskõrd kannu...” (What's gone is gone, all trees will be stumps someday...), communicating the thought that trees are a part of nature's circle that last for more than a lifetime and have an important role for both nature and humans.

STAFF

Work and bread for thousands of Estonian people

Throughout the ages, the forest has created jobs and put food on the table, as well as provided protection and shelter. Even in the relatively complicated economic situation of 2010, RMK tried to find ways for creating new positions in the state forest. The most important aspect for us was that the work we are offering would be relevant to forest management and nature preservation, and the jobs created would also survive in the future.

Since 2008, when RMK's management was reorganised, the work volumes and the number of related positions in the state forest have continually increased. When, as a rule, cutting 1000 cubic meters of timber creates one position, the increase in cutting volumes from 2 million to 2.8 million cubic meters in three years have provided a stable job opportunity in the state forest for 800 people. Naturally, it needs to be kept in mind that the calculation of cut cubic metres also involves other forest management works (i.e. forest renewal and maintenance of young forest), wherefore some of these jobs are seasonal – there's always more to do in the forest in winter and spring than in summer or autumn.

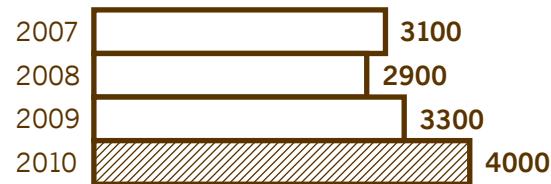
In addition to increasing the volume of regular forest works, RMK provided a job for more than 270 people in RMK's forest nurseries in 2010 by increasing the forest plant growth volume. 210 new people were hired in connection with the organisation of visits and 60 in connection with offering nature education opportunities. 87 people mapped heritage culture and 50 people performed different forest protection tasks. In cooperation with the Estonian Unemployment Insurance Fund, we created 25 positions for performing practical nature conservation tasks. This enabled more than 700 people to get a job in the state forest in 2010.

The added 1500 jobs, however, are only just the beginning. Since there is plenty of work in the forests, the main issue is to overcome the distance between the people and the forest. After all, people who need a job often live in cities, but forests are located in rural areas that are costly to visit. However, if we are able to create additional stable and paying positions in rural areas, people would once more have a reason to leave the city behind and return to nature. The state forest is open to all Estonian people who wish to work, and RMK does its best to make the existing opportunities available!

People employed by RMK



Total people employed in the state forest



RMK among the most favoured employers

According to the employer reputation study carried out by the market research company TNS Emor, RMK is one of the three most preferred employers among the employed population, holding a steady third place after Eesti Energia and Tallink.

Compared to the previous years, the largest changes have taken place among the student ranking. The position of RMK has improved by six places, being the tenth most preferred undertaking in Estonia.

The TNS Emor study mapped employee expectations and the reputation of Estonia's largest employers. 417 salaried workers and 481 university students participated in this study carried out in April and May of 2010.

INVOLVING VOLUNTEERS

Hundreds of volunteers bustled about in state forests

Under the citizen's initiative Teeme Ära, the third national day of civil actions took place on 1 May. For this purpose, RMK prepared almost 100 civil action areas and handed them over to the bee leaders among the volunteers. For example, birdhouses could be mounted and hiking trails prepared as part of the civil action day. People also built stone fences, tended the heritage culture objects, cleaned the camping and fire places and gathered brushwood, branches and garbage. After the civil action day, RMK took over the areas again and organised removal of the garbage and branches.

All people who worked on RMK's civil action areas received free tickets to Elistvere Animal Park as a thank you gift. In total, 1130 bees with 31,299 participants were organised across Estonia on 1 May.

ELISTVERE ANIMAL PARK

New building, new animals

While 2010 was remembered by the inhabitants of Elistvere Animal Park mostly for its unusual August storms, the visitors were the most delighted – along with observing the life of the animals – by the construction of the new main building.

On the first floor of the two-storey building is the centre of the animal park, along with the ticket and souvenirs counter, as well as RMK's information office, and on the second floor there is an exhibition hall and study class. Construction in Elistvere will continue also in 2011, when the trails and recreational areas will be built in the Juulaküla-side of the park.

However, the August storms had quite an impact on the everyday life of Elistvere's animals. Thanks to quick actions and hard-working men, the broken enclosures were nevertheless fixed before any animals got loose.

Elistvere Animal Park is home to 53 four-legged animals and three pheasants, one pigeon and about 50 different rodents. In 2010, six marmosets, two buffalo calves and one tiny fallow deer were born.

In addition, pine marten Nuki, three deers, two foxes, a racoon dog, a squirrel and some storks moved into Elistvere for rehabilitation. However, the latter gave in to their wanderlust and flew south in the autumn.

During the year, 47,833 people visited Elistvere Animal Park; that is more than 3000 people more than last year.

Elistvere Animal Park was established in 1997. The Animal Park that used to belong to the Estonian Society of Foresters has belonged to the Tartu-Jõgeva recreation area of RMK since 2008.

CHRISTMAS TREES

Before Christmas, 4600 Christmas trees were brought from state forests. Considering the extreme snow conditions the interest of people was surprisingly high, showing that the old tradition of bringing a Christmas tree from the forest with you family is coming back to life.

Mobile payment was made for more than half of the trees, which is somewhat more than last year. More than 1500 people participated in the guided tree trips organised by RMK; the rest of the people got their trees on their own.

There were no incidents regarding illegal cutting of Christmas trees for the second year already. This indicates that people's way of thinking has changed, but more convenient methods of payment certainly played their part.

RMK directed the EEK 655,000 (almost EUR 42,000) from the sale of Christmas trees to increasing nature and forest awareness.

HUNTING

Provision of the hunting service will end

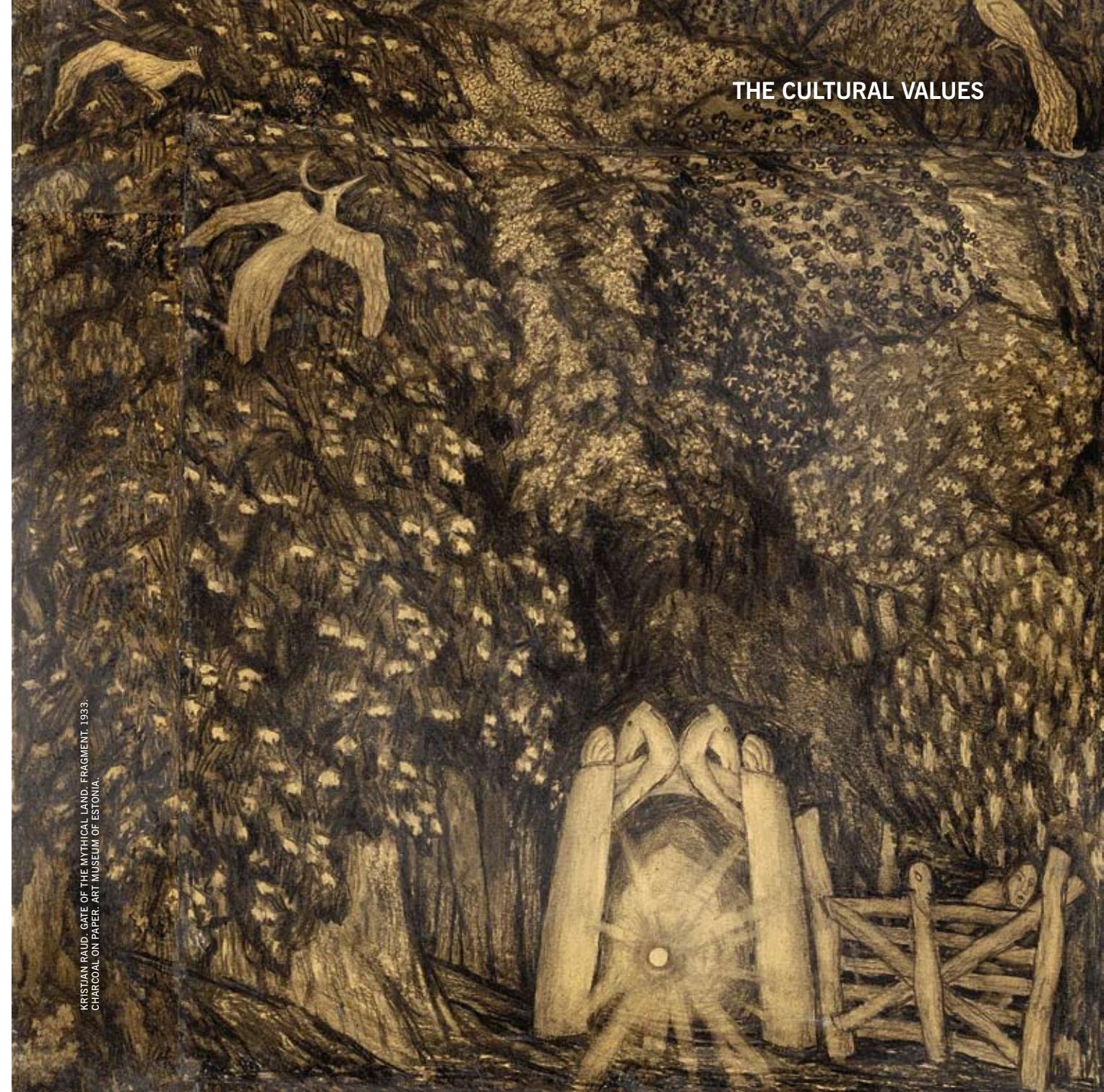
An important change in hunting management was prepared in 2010. As of March 2011, RMK ended provision of hunting services on the hunting areas maintained by RMK; six hunting areas will be rented out under public auctions.

The reason for such change was that hunting management in its former form was not able to manage itself and the State has no reason to pay for providing a service for hunting tourists.

According to the new management, smaller hunting areas will be formed in the hunting areas using the natural boundaries, and the people interested may apply for one-year contracts on hunting and game maintenance.

In 2010, RMK managed six hunting areas on a total area of 161,160 hectares, which is 4% of the State's hunting areas. Hunting was strongly affected by deep snow at the beginning of the year. The volume of planned hunting services fell by a third, and the sale of hunted trophies by one fourth. Turnover for one hectare of hunting ground remained the same compared to last year: 52.1 EEK/ha (in 2009, the number was 52.5 EEK/ha).

THE CULTURAL VALUES



KRISTJAN RAUD. GATE OF THE MYTHICAL LAND. FRAGMENT. 1993.
CHARCOAL ON PAPER. ART MUSEUM OF ESTONIA.

THE YEAR IN NUMBERS

Heritage culture objects mapped during the year 14,546
Total heritage culture objects mapped 28,689

The most important aid projects 13
Forestry grants 3

HERITAGE CULTURE

Mapped objects of heritage culture by types

Farmsteads	4,728
Old place names	2,116
Forest keeper posts	1,085
School buildings	856
Replacement farms	831
Windmills	807
Soviet heritage culture	762
Manor architecture	756
Cottager farms	673
Watermills	635
Others (143 types)	15,440
Total	28,689

Mapped objects of heritage culture by counties

Saare County	4,430
Tartu County	3,042
Lääne-Viru County	2,523
Võru County	2,491
Põlva County	2,017
Lääne County	1,936
Harju County	1,905
Pärnu County	1,845
Valga County	1,563
Järva County	1,470
Rapla County	1,393
Ida-Viru County	1,316
Viljandi County	1,303
Hiiu County	756
Jõgeva County	699
Total	28,689

Heritage culture unifies Estonians and Latvians

In 2010, RMK mapped as many heritage culture objects as the total for the previous five years – more than 14,000. The four last unmapped counties were taken on, and cooperation with our southern neighbours was finished with success.

As a result of a joint project that lasted for two years and cost almost EUR 1 million, the state forest managers of Estonia and Latvia mapped almost **20,000 heritage culture objects along border areas**. A total of 9100 were located in Southern Estonia and more than 10,800 in Northern Latvia.

One of the most large-scale manifestations of this cooperation is the establishment of the **heritage culture maintenance and conservation area of Koiva River**, which runs through the counties of Valga and Valka, covering 80 kilometres of forest trails. The heritage culture area, opened in October, will run along the border river Koiva/Gauja and involves three trails of different length: a 60 km bicycle trail with 29 points of interest, an 18 km bicycle and hiking trail with 7 points of interest, and a 2 km hiking trail with 9 points of interest.

The aim of the joint area is to introduce the diverse heritage cultural objects of the area, for example, old farm and manor buildings, mills, borderlands, exceptional wooded meadows, sacrificial stones and -pines.

The leading partner and cofounder of the Estonian-Latvian joint project is RMK; the project was financed to the extent of 85% by the European Regional Development Fund.

RMK deals with the inventorying of heritage culture because it is an important part of our culture, a piece of national identity. The aim is

to map the whole heritage culture of Estonia, regardless of the landform and ownership.

The data of the mapped objects is available at the geoportal of the Estonian Land Board <http://xgis.maaamet.ee>, enabling everyone interested to get a brief overview of the local heritage culture when planning a nature trip or learning about the history of their home.

In the course of the Estonian-Latvian joint project, in Estonia:

- 32,000 working hours were spent
- 165,000 km covered
- 108 heritage culture stock takers were trained and 60 of them employed
- 50 forest owners were taught to tend and preserve the heritage culture objects
- Information days and events for more than 2000 people were organised
- 70 forest owners were sent to practice in Latvia
- Heritage culture books on Valga, Võru, Põlva and Tartu counties were published

The most important in 2011

- Ending of the mapping process in Viljandi, Pärnu, Saare and Hiiu counties, publishing of the corresponding publications.
- Introduction of the Koiva nature and conservation area by organising information days, trainings and nature hikes.
- Travelling exhibition on heritage culture circulating in Latvia and Estonia.
- Development of the database to accommodate the new data and to ensure its faster and better display.

TARTU TREE NURSERY

Tartu Tree Nursery creates local decorative plants

On 1 October, the oldest tree nursery growing local decorative plants, RMK Tartu Tree Nursery, celebrated its 50th birthday. During that time, more than one hundred million plants have been sold.

The main activity in Tartu is growing local decorative plants – the tree nursery is the largest of its kind in Estonia. In order to preserve our plant growing traditions, everything from extracting a seed to engrafting is done on their own. This ensures the quality of the plant and its suitability to Estonia's climate.

RMK Tartu Tree Nursery is located on a 31 ha area at the edge of Tartu. More than 450 tree and bush species and types are being produced; there are more than 200 roses alone blooming in the rose garden of the tree nursery in summer. The tree nursery has belonged to RMK since 2008.

SUPPORTING ACTIVITY

As to charity and sponsorship, RMK has fixed principles, and so the projects supported were divided between three areas.

Environmental protection and nature conservation

- “Teeme Ära” day of civil actions on 1 May
- Nature photography competition “Bloodless Hunt”
- Matsalu Nature Film Festival
- Publication of the nature photography yearbook
- Activities of Ökomeedia – portal of green living bioneer.ee and the “Green Programme” that helps to introduce the culture supporting sustainable development in organisations

Healthy living and activities in nature

- Club Tartu Marathon (Tartu Complex Event)
- SEB Kõrvemaa Complex Event
- Adventure sport series Xdream

Forestry and use of timber

- Professional forestry competitions and summer games organised by the Estonian Society of Foresters
- Construction of the nature study boat by Emajõe Barge Society
- Varbola Wood Days
- Forestalia, the male choir of forestry workers
- Wooden Boat Society Vikan, Rannamõisa Boatclub, Halulaev

FORESTRY EDUCATION

Support for the new generation of foresters

In developing forestry education, RMK has acknowledged the best students in Luua Forestry School and the Estonian University of Life Sciences for several years.

The EEK 50,000 Heino Teder Grant was awarded to Olev Looga and Edvard Eelsalu, first year forestry postgraduate students at the Estonian University of Life Sciences. The EEK 30,000 grant, named after Toomas Ehrpais, a meritorious forester and preserver

of nature, was awarded to Annes Välk, 2nd year student of forestry management at the Luua Forestry School.

To continue with long-time traditions, RMK also acknowledged the best Master's Thesis on forest management at the University of Life Sciences. Ando Lilleleht's Master's Thesis “Puistu juurdekasvu ja koosseisu vahelised seosed” concentrated on studying the growth of mixed forests. The value of the award was EEK 10,000 and it has been awarded for ten years already.

REPUTATION

The forest has always played an important role in the culture and identity of Estonians. Therefore, RMK has a moral obligation to improve the forestry-related and environmental awareness of the Estonian people, be it an explanation of the forestry management processes, provision of nature education, spreading the message of sustainability, etc. An evaluation of the role of RMK as one of the prolocutors of the issues of forestry and environment is given by the public opinion studies.

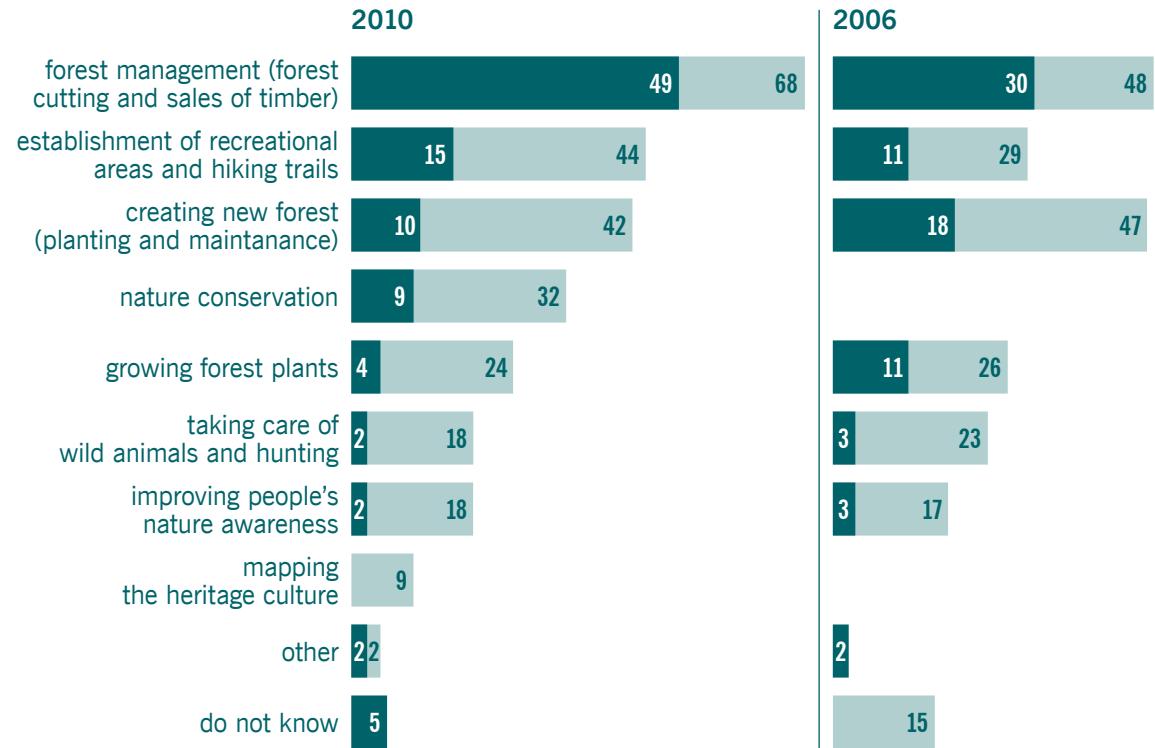
- The reputation of RMK has increased year by year. In 2010, 75% of the respondents knew RMK (in 2008, this indicator was 57%).
- RMK is better known among Estonians, residents of Tartu and Jõgeva Counties, and people in rural areas.
- The lowest rate of reputation of RMK was among Russians, in Tallinn and Viru counties.

- RMK is most often associated with these keywords: good emotions, nice camping sites, forest and hiking trails and other recreational areas, management and care of the state forests.
- Most of the people who know RMK are satisfied with its work and think that RMK is doing a necessary job, is environmentally- and nature friendly and reliable.
- The most important actions, according to the respondents, are forest management, creation of recreational possibilities and planting of new forest. People are more aware of RMK's activities in nature conservation.
- RMK has the most visited forestry-related homepage (69% of the respondents).

SOURCES: RMK REPUTATION STUDY (TNS EMOR, OCTOBER 2010), COMMUNICATIONS STUDY OF ESTONIAN FOREST SECTOR (FAKTUM & ARIKO, SEPTEMBER 2010)

Spontaneous reputation of RMK

What are the activities that you associate RMK with?



● mentioned first (%) ● also total mentionings (%)

FINANCIAL SUMMARY



HENN-OLAVI ROODÉ. LOADING TIMBER. FRAGMENT. 1963. OIL ON CANVAS. ART MUSEUM OF ESTONIA.

BALANCE SHEET (in EEK)	31.12.2010	31.12.2009
ASSETS		
Current assets		
Cash and bank	103,272,168	79,378,155
Short-term financial investments	410,000,000	0
Trade receivables	136,399,159	159,322,120
Other current receivables	12,112,933	9,228,267
Prepaid and deferred taxes	12,225	580,152
Prepaid services	389,540	85,646
Inventories	83,326,658	94,060,089
Fixed assets to be sold	6,473,730	4,008,267
Biological assets	300,707,437	0
Total current assets	1,052,693,850	346,662,696
Fixed assets		
Long-term financial investments	0	16 538
Tangible assets	5,412,206,494	1 123 760 077
Intangible assets	3,190,449	2 407 403
Biological assets	11,715,286,377	0
Total fixed assets	17,130,683,320	1 126 184 018
TOTAL ASSETS	18,183,377,170	1 472 846 714
LIABILITIES AND EQUITY CAPITAL		
Liabilities		
Current liabilities		
Targeted financing	401 240	0
Accounts payable	52 768 978	52 260 933
Taxes payable	17 082 738	17 096 087
Employee-related liabilities	34 820 014	32 966 839
Other debts	3 983 297	3 048 580
Prepayments received	2 994 506	1 211 914
Total current liabilities	112 050 773	106 584 353
Net assets		
State capital	16 520 971 979	193 726 077
Retained earnings	1 132 536 284	1 023 062 328
Net income for the financial year	417 818 134	149 473 956
Total net assets	18 071 326 397	1 366 262 361
TOTAL LIABILITIES AND EQUITY CAPITAL	18 183 377 170	1 472 846 714

INCOME STATEMENT (in EEK)	2010	2009
Sales revenue	1 818 281 048	1 251 386 936
Other operating revenue	12 279 719	204 060 762
Change in inventories of finished goods and work in progress	-11 504 004	21 394 057
Capitalised expenses on fixed assets produced for own use	0	4 320
Goods, raw materials and services	-895 299 506	-727 496 993
Other operating expenses	-122 764 918	-132 104 250
Labour	-268 447 459	-248 097 011
Write-downs of fixed assets	-103 441 829	-107 301 558
Other operating charges	-3 398 200	-3 916 437
Operating profit	425 704 851	257 929 826
Financial income and expenses	2 746 194	34 344 130
Earnings before taxes	428 451 045	292 273 956
Provision for income tax	-10 632 911	-142 800 000
Net income for the financial year	417 818 134	149 473 956



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Translation of the Estonian Original

AUDITOR'S REPORT

To the Supervisory Board of Riigimetsa Majandamise Keskus

We have audited in accordance with the International Standards of Auditing (Estonia) the financial statements of Riigimetsa Majandamise Keskus (hereafter "RMK") which comprise the balance sheet as at 31 December 2010, the statements of income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes. In our report dated 15 February 2011 we expressed an opinion that the financial statements, from which the accompanying summarized financial statements presented on pages 40-41 were derived, presented fairly, in all material respects, the financial position of RMK as at 31 December 2010, and the results of its operations and its cash flows for the financial year then ended in accordance with Estonian generally accepted accounting principles.

In our opinion, the accompanying summarized financial statements are consistent, in all material respects, with the financial statements from which they were derived and on what we have given unqualified opinion with an emphasize of matter paragraph.

For a better understanding of RMK's financial position and the results of their operations for the period and of the scope of our audit, the summarized financial statements should be read in conjunction with the financial statements from which the summarized financial statements were derived and our auditor's report thereon.

Tallinn, 16 June 2011

Ivar Kiigemägi
Ernst & Young Baltic AS

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INDEX OF WORKS



COVER

KALJO PÖLLU (1934–2010).
AN ESTONIAN LANDSCAPE. 1976.
MEZZOTINT. SHEET DIMENSIONS 44 × 53.8 CM.
PLATE DIMENSIONS 33.3 × 44 CM.
ACCESSION NUMBER: EKM G 10921.

THE WORKS OF KALJO PÖLLU, INTERESTED IN THE CULTURE AND MYTHOLOGY OF FINNO-UGRIC PEOPLES, EMPHASISE THE UNITY OF MAN AND THE NATURAL ENVIRONMENT SURROUNDING HIM, REVEALING OUR ORIGINS AND ROOTS. WORKS ABOUT ESTONIA IN AN ETHNIC STYLE CONJURE FOR THE BEHOLDER VISIONS THAT ARE SIMPLE AND PRIMEVAL, YET TIMELESS AT THE SAME TIME.



PAGE 19

KONRAD MÄGI (1878–1925).
FOREST SCENE. 1913.
MIXED MEDIA ON PAPER. 94 × 84 CM.
ACCESSION NUMBER: EKM M 6215.

THE PAINTINGS OF KONRAD MÄGI, WHO ENTRENCHED THE STEREOTYPE OF A "STARVING ARTIST" IN ESTONIA'S CULTURAL HISTORY, SYNTHESISES INFLUENCES FROM VARIOUS STYLES AND THE ARTIST'S TRAVELS IN FINLAND, NORWAY AND FRANCE. BRIMMING WITH IMPRESSIONS OF NATURAL SCENES IN FOREIGN LANDS, UPON HIS RETURN TO ESTONIA IN 1912, AFTER HIS TRAVELS ABROAD, MÄGI CONTRIBUTED SIGNIFICANTLY TO THE EVOLUTION OF THE TRADITION OF 20TH-CENTURY LANDSCAPE PAINTING IN ESTONIA.



PAGE 5

RICHARD UUTMAA (1905–1977).
LOG DRIVERS. 1945.
OIL ON PLYWOOD. 70 × 84.2 CM.
ACCESSION NUMBER: EKM M 3715.

THE SUBJECTS OF ESTONIA'S NATURE AND LABOUR MEET IN THE WORKS OF PALLAS ART SCHOOL GRADUATE RICHARD UUTMAA, ONE OF ESTONIA'S MOST NOTED MARINE PAINTERS. "LOG DRIVERS", SUBMITTED AS A COMPETITION ENTRY TO THE EDUCATION DIRECTORATE IN 1943 DURING THE GERMAN OCCUPATION, YET COMPLETED ONLY IN 1945, DURING THE SOVIET PERIOD, CONTINUES IN THE SAME VEIN.



PAGE 25

ELMAR KITS (1913–1972).
SPRING. 1961.
OIL ON CANVAS. 126.7 × 143.4 CM.
ACCESSION NUMBER: EKM M 3667.

THE CHEERY "SPRING" BY ELMAR KITS, DEPICTING PATHS IN VALGEMETSA ON THE RIVER AHJA, WHERE THE ARTIST'S SUMMERHOUSE WAS ALSO LOCATED, CONTINUES THE POSTIMPRESSIONIST STYLE OF THE PALLAS SCHOOL. IN THE ESTONIA OF THE COLD WAR THAW, THE PALLASQUE PAINTING STYLE WAS A FORM OF RESISTANCE TO THE DISCOURSE OF SOVIET SOCIALIST REALISM.



PAGE 9

OSKAR KALLIS (1892–1918).
KALEVIPOEG BEARING PLANKS. 1914.
PASTEL ON PAPER.
VISIBLE DIMENSIONS 42.7 × 41 CM.
ACCESSION NUMBER: EKM M 553.

DESPITE HIS SHORT-LIVED CREATIVE CAREER, OSKAR KALLIS, WHOSE WORKS COMBINE ART NOUVEAU SYMBOLISM AND A NATIONAL ROMANTIC TREND IN ART, WAS ABLE TO LAY THE FOUNDATION WITH HIS SERIES OF DRAWINGS ABOUT KALEVIPOEG OF A TRADITION OF DEPICTIONS OF OUR NATIONAL HERO BASED ON A SIMPLE RUSTIC ARCHETYPE RATHER THAN A HEROISING STYLE.



PAGE 13

GÜNTHER REINDORFF (1889–1974).
TAMME-LAURI OAK, URVASTE. 1968.
LEAD PENCIL ON PAPER.
SHEET DIMENSIONS 34 × 39 CM.
ACCESSION NUMBER: EKM G 9947.

THE DRAWING BY GÜNTHER REINDORFF, KNOWN AS A VIRTUOSO PRINTMAKER, PRINTMAKING PROFESSOR AND ILLUSTRATOR, DEPICTS IN HIS DRAMATIC AND ROMANTIC KEY THE ARCHAIC TAMME-LAURI OAK, THOUGHT TO BE THE THICKEST TREE OF THIS KIND IN ESTONIA. OFFERING INSPIRATION ALSO TO THE ARTIST VLADIMIR TAIGER, THE OLD OAK NOT LONG AGO ADORNED THE REVERSE OF THE ESTONIAN 10-KROON NOTE.



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HENN ROODE (1924–1974).
LOADING TIMBER. 1963.
OIL ON CANVAS. 84.3 × 160.2 CM.
ACCESSION NUMBER: EKM M 5023.

HENN ROODE'S MONUMENTAL PAINTINGS OFTEN SUBSCRIBE TO THE SUBJECTS OF SOVIET-STYLE PROGRESS AND THE CONSTRUCTION OF COMMUNISM. NEVERTHELESS, AS AN EARNEST MODERNIST, ROODE WAGERED HIS OEUVRE ON THE DEVELOPMENT OF AN INNOVATIVE ARTISTIC LANGUAGE RATHER THAN THE FAVOUR OF THE AUTHORITIES.



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KRISTJAN RAUD (1865–1943).
GATE OF THE MYTHICAL LAND. 1933.
CHARCOAL ON PAPER.
SHEET DIMENSIONS 96.7 × 81.8 CM.
ACCESSION NUMBER: EKM G 2242.

BESIDES THE SUBJECT OF KALEVIPOEG, KRISTJAN RAUD DREW IDEAS AND SCENES FROM THE BROADER FOLK HERITAGE IN THE 1930s. DESPITE ITS MONOCHROME PALETTE, "GATE OF THE MYTHICAL LAND", A CHARCOAL DRAWING COMPLETED IN 1933, STRIKES ONE AS A BRIGHT AND COLOURFUL POETIC WORLD OF FANTASIA, THEREBY OFFSETTING THE DARKER NOTES IN RAUD'S OEUVRE.

A NOTE ON THE ILLUSTRATIONS IN THIS YEARBOOK

Heie Treier, PhD
Lecturer, Tallinn University

For centuries, the forest as a natural environment has so firmly been a part of the givens for the people who live here that we ourselves might not even realise how much it has affected the local ethnography, folklore, folk songs, lifestyle, architecture, heritage, history, mind-set, idiom, naming traditions and much more. Next to these areas, professional art in Estonia is a relatively recent phenomenon, yet it, too, grew not out of nothing, but rather next to what had gone before, helping our people to become a nation, like others, and to lay the groundwork for independent statehood. And, of course, artists, too, have turned their gaze to the forest as a source of protection, sustenance and inspiration.

The works selected for RMK's yearbook this year are held in the collections of the Art Museum of Estonia, which is an indication of their status – these are culturally important works. The hallmark of a classic is to have stood the test of time and changing fashions.

Looking at these eight works from different periods, attention should be drawn to the micro-politics in them. Although the works depict recognisable scenes, at times it is as if they are speaking in different languages and each advocating its own cause. Some are dominated by aesthetic, others by philosophical and yet others by mythological considerations.

Konrad Mägi and Elmar Kits represent the fin de siècle French aesthetic, as “translated into Estonian”. This is a celebration of colour and light, where the state of being matters.

Richard Uutmaa and Henn Roode, instead, are influenced by the aesthetic of the Marxist philosophy that was dictated to artists in the early days of the Soviet regime. Here, what matters is the principle of content – the artist had to depict not just landscape or the life of leisure but hard physical labour. And present it as a positive example.

Kristjan Raud and Oskar Kallis, by contrast, take their cues from Estonian mythology. So, even though we see Kalevipoeg bearing planks on his back, this is not about the Marxist imperative to depict physical labour but rather the illustration of a national epic.

In all these works of art, there is a fair share of poetry and soul, just as in the print depictions by Günther Reindorff and Kaljo Põllu. The artists help us to “rise above” our daily business and to see the forest, as an environment that is a given, with fresh eyes.





KALJO PÕLLU. AN ESTONIAN LANDSCAPE. FRAGMENT. 1976.
MEZZOTINT, PAPER. ART MUSEUM OF ESTONIA.