



Forestry

FORESTS COVER 59.8% OF SLOVENIA'S SURFACE AREA AND THE GROWING TREND OF SURFACE AREAS BEING COVERED BY FORESTS IS CONTINUING. THUS, IN TERMS OF FOREST COVER SLOVENIA IS IN THIRD PLACE IN EUROPE, AFTER SWEDEN AND FINLAND.

Predominantly beech, fir-beech and beech-oak forests with a relatively high production capacity are involved. 72% of the forests are privately-owned, with the remaining 28% being owned by the state and municipalities. The privately-owned forest holdings are very fragmented; the average surface area per owner is less than 3 hectares. In Slovenia, there are 314,000 forest holders or, together with co-owners, as many as 489,000. Such fragmentation makes professional work and optimal wood utilisation difficult. The contribution of forestry to Slovenia's gross national product has been around 0.2% for quite a while now and in terms of its economic performance the industry lags behind the average of the country's processing industries.

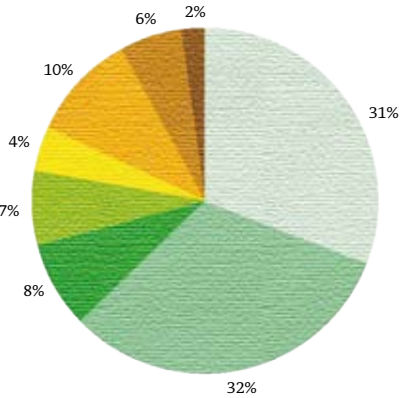
Total felling in all forests reached 3.7 million cubic metres (with 60% being conifers), which represents a good 82% of the possible felling levels set out in the forest management plans.

The growing stock of Slovenian forests is 262 cubic metres per hectare, whereby the share of the conifer growing stock is 47.1% while that of deciduous stock is 52.9%. Annual growth totals 6.52 cubic metres per hectare. Slovenian forests are

threatened most by the weather (wind, sleet, snow) and, in the last few years, particularly by pests (bark beetles).

It is characteristic of 2006 that the production capacity of the privately-owned forests was not fully utilised, yet the trend indicates a gradual increase.

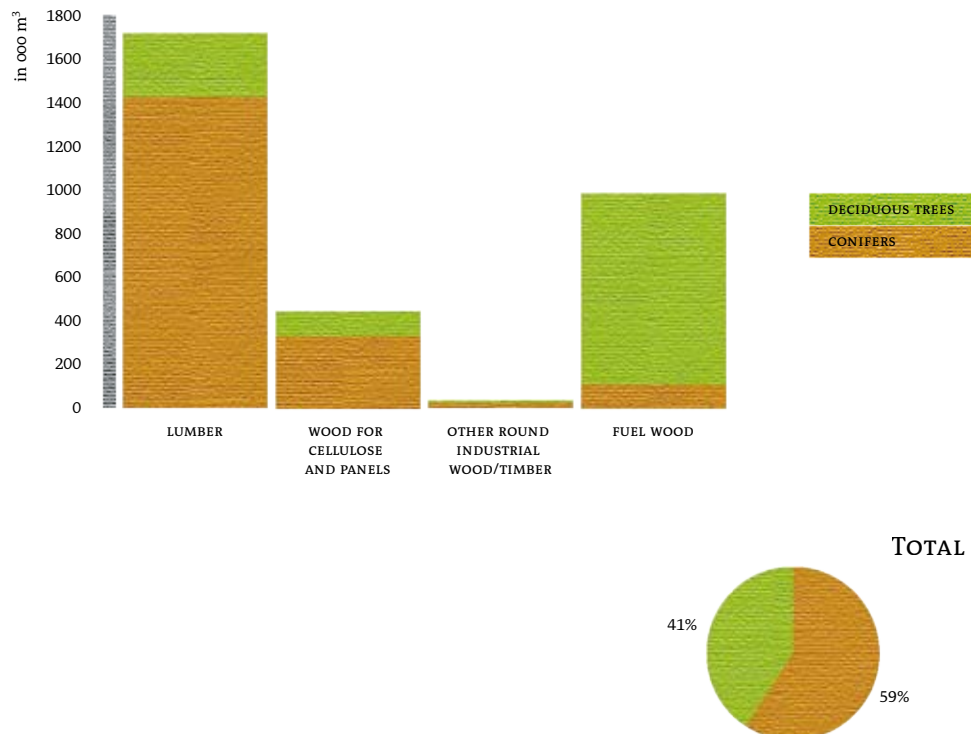
SHARE OF INDIVIDUAL TREE SPECIES IN SLOVENIAN FORESTS



EVEN IN THE FUTURE, FORESTS WILL PLAY AN IMPORTANT ROLE IN SLOVENIA IN THE ACQUIRING OF SO-CALLED GREEN ENERGY BECAUSE THE POTENTIAL OF FOREST BIOMASS IS LARGE AND UNUTILISED.

The future of the forests, as seen by forestry experts and forest holders, lies in their integration within forest proprietors associations, joint wood sales and certification. In Slovenia, two forest certification schemes are being prepared.

FOREST WOOD ASSORTMENTS, ACQUIRED IN SLOVENIA IN 2006



Hunting

There are approximately 22,000 hunters in Slovenia. Since in accordance with national legislation, 408 hunting districts and 12 special-purpose hunting districts have been established in Slovenia, there are altogether 416 hunters associations in Slovenia, which are further organised into the Hunting Association of Slovenia.

THE DIVERSITY OF WILDLIFE SPECIES AND POPULATIONS AND THE DIVERSITY OF THEIR GENETIC POOL AND LIVING ENVIRONMENT REPRESENT IMPORTANT NATURAL WEALTH.

Therefore, the conservation of autochthonous species of wildlife and their natural environment is in Slovenia's national interest.