



Confor Response to Climate Change, Environment and Rural Affairs Committee inquiry into forestry and woodland policy in Wales. April 2017

Forestry can make the countryside profitable, secure the economic future of farmers and rural communities, lock up carbon, create rural industries, create resilient ecosystems, and enhance the health and wellbeing of our society. But all this is only possible if trees are planted. The disastrous failure of WG since 2010 to meet agreed tree-planting targets puts the economic, social and environmental sustainability of our countryside at risk. This failure must be tackled as a matter of urgent priority, as Wales is now in danger of deforestation.

Summary

- Planting trees, and building with timber, is one of the most effective ways to lock up carbon.
- Planting a tree is planting jobs for the future, and rooting those jobs in rural Wales.
- Forestry is profitable without subsidy, and could support Welsh farming in the future.
- The 2010 target to create 5000ha woodland year is now 31,800ha behind target. Forestry and woodland creation has been a comprehensive failure.
- It is imperative that WG facilitates the creation of large-scale productive forests and woodlands today, and sustains it at a high level.
- The Welsh forestry and timber industry is investing in rural jobs, industrial innovation, and rural communities, but all this is jeopardised by the lack of planting to supply future timber.
- Forestry also delivers multiple environmental benefits for biodiversity, water management and air quality for free: but only if trees are planted
- With global timber demand rising, it is unsustainable for the UK to offshore its timber footprint to such an extent: it must produce more of its requirements from domestic forests.

Responding to climate change – coping with climate change and helping reduce our carbon footprint

1. Woodlands for Wales strategy (WfWS) makes repeated references to;
 - increasing woodland cover
 - bringing undermanaged woodland back into management and
 - protecting the productive capacity of the Welsh woodlands and forests

as vital actions that will assist Wales to respond to climate change.

Over the life of WfWS none of these has changed markedly in reality and some, whilst stable now, are likely to decline dramatically in the future.

2. It has long been known that the best rural policy response to climate change is to plant more trees. This was the view of the Read Report, *Combating Climate Change: a role for UK forests* (2009)¹ which concluded that “sustainable forest management can maintain the carbon store of a forest at a constant level while the trees continue to remove CO₂ from the atmosphere and transfer a proportion of the carbon into long-term storage in forest products”. The report also states, “Woodland creation provides a highly cost-effective and achievable abatement of GHG emissions when compared with potential abatement options across other sectors”.¹

3. This view was adopted into policy by the Welsh Government in its 2010 Climate Change Strategy, which called for “the expansion of woodland in Wales **from about 500ha to 5,000ha per annum maintained over 20 years**”.²

4. The National Assembly for Wales, E&SC legacy Report¹¹ highlighted forestry as a key priority area, “In particular, there is insufficient planting of softwood species to meet the demand of future markets¹¹”

5. Yet, as the graph below demonstrates, this policy has been a comprehensive failure. For the Woodlands for Wales Strategy Action Plan Progress Update to state that there has ‘been uneven progress towards the goal of creating more woodland in Wales’ is deeply disingenuous. Woodland creation in Wales has been a catastrophic failure. Wales needs to plant 31,800ha of the 35,000ha which should by now have been planted, simply to get back on track.

6. To compound this failure, only a paltry 300ha³ of this planting is the fast-growing, productive softwood recommended by the Read Report, and Welsh Government, as most effective for acting as a carbon sink and substituting carbon-intensive construction materials such as steel and concrete.

7. If the Welsh countryside is to have any role in sequestering carbon to reduce Wales’ contribution to global climate change, to providing resilience for the Welsh population against climate impacts such as flooding, or to creating a sustainable Welsh economy built on low-carbon materials, it is imperative that it begins creating productive woodland today, and sustains that woodland creation at a high level.

¹ COMBATING CLIMATE CHANGE A ROLE FOR UK FORESTS. <http://www.forestry.gov.uk/readreport>

² Wales Climate Change Strategy 2010 <http://gov.wales/docs/desh/publications/101006ccstratfinalen.pdf> p.69.

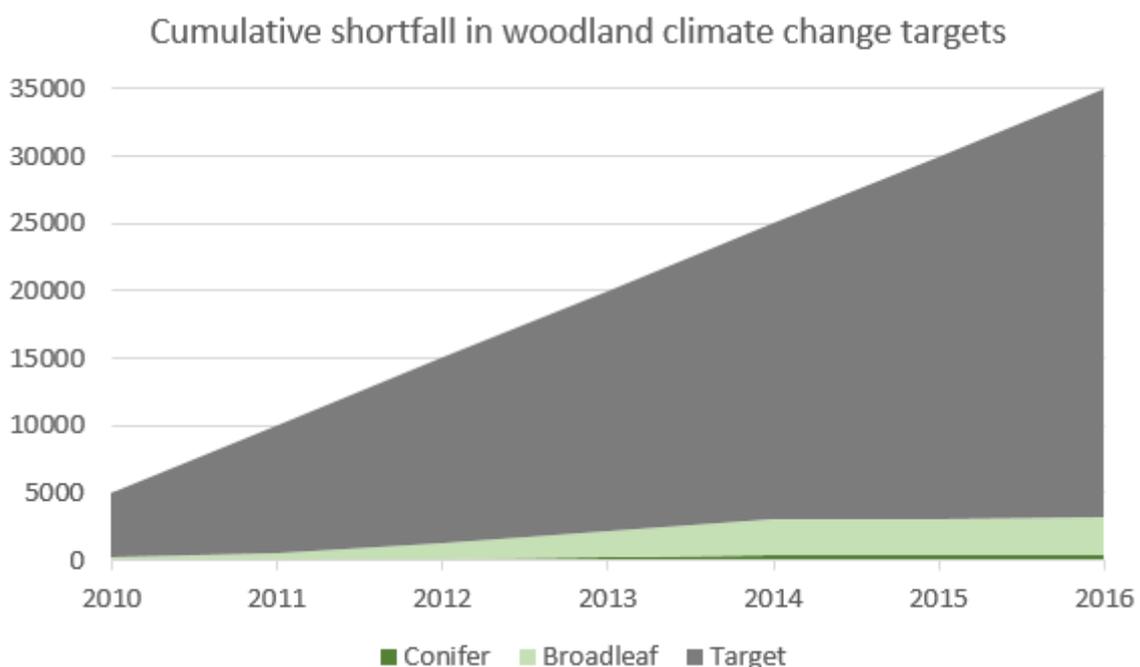
³ Forestry Commission statistics 2016. <http://www.forestry.gov.uk/forestry/infid-8w3lv3>

¹¹National Assembly for Wales, E&SC Legacy Report 2016. <http://www.senedd.assembly.wales/mglIssueHistoryHome.aspx?IId=14151>

8. Confor has previously identified the barriers preventing woodland and forestry creation in Wales⁴. Without tackling these, there is very little hope targets will be met. Confor has suggested actions to remove these barriers including⁴:

- a. A protocol for consultees, the regulator, and WG responding to woodland creation and management plans, including a deadline after which no response is regarded as consent, and guidelines as to reasonable burdens on applicants.
- b. Better guidelines, and guidance, on EIA's.
- c. A strategic plan to identify uncontroversial areas and fast-track woodland creation with a presumption in favour of woodland and forestry creation in some areas.
- d. Clearer guidance for woodland officers to make proportionate and balanced decisions

⁴Obstacles to commercial woodland creation. Confor 2016 <http://www.confor.org.uk/resources/publications/confor-publications/>



Woodlands for people – serving local needs for health, education and jobs;

9. WfWS places great emphasis on woodlands for people, it aspires to an increased community involvement in woodlands and a greater understanding of the sector by increasing education, dialogue and joint working which will lead to more people using woodlands and having healthier, prosperous lives as a result.

10. Welsh Governments deliver of woodlands for people in the WfWS has been successful, Woodlands for Wales Indicators⁵ (WfWi) shows that public perception, community involvement and use of woodlands for passive and active recreation are all increasing and we are heartened by this.

Expanding the area of woodlands and forestry in Wales is a sure way of keeping the momentum going on these benefits.

⁵Woodlands for Wales Indicators. <http://gov.wales/statistics-and-research/woodlands-wales-indicators/?lang=en>

11. The delivery of woodlands for people that is most at risk in the future is securing the existing jobs in the sector and increasing the potential of woodlands and forestry to deliver new jobs, especially important in rural areas.

12. Planting a tree is planting jobs for the future, the scale of the wood processing sector in Wales is proof that the productive forest resource is rooting jobs in rural Wales now. Expanding that productive forest resource will protect existing jobs and create new ones.

13. Productive forestry is a thriving industry. The UK is the third largest importer of wood products in the world⁶, we already have a huge market for the products right next door to Wales without having to access the single EU market. Primary wood product imports alone to the UK in 2015 were 25m cu m, valued at £7.5 billion⁶. Wales produced 1.6m cu m of roundwood in 2015⁵, just 6% of the UK demand so there is a massive market opportunity for Wales to exploit.

14. Welsh policies should focus on, and support, sectors that are financially self-sufficient. The *Upland Forestry WALES* study (2015) makes a compelling argument that farmers, land managers and the public purse would benefit from a change in land use towards more commercial forestry:⁷ it notes that:

- In the long term, forestry will produce one and a half times the economic output of current farming before subsidy.
- Forestry's spending in the economy is currently double that of farming.
- Once established, forestry trades at a surplus, farming at a loss, before subsidy.
- Forestry currently supports 60% more jobs than farming in the surveyed areas⁷.

15. Had WG been meeting planting targets since 2010, by providing subsidy for woodland establishment on farmland, it would have been looking forward to withdrawing subsidy payments from 5000ha per year in three years' time, as those woodlands began to yield a sustainable income.

16. The potential saving to public funds is huge. This money could be much more valuably spent on healthcare, education or infrastructure.

17. Woodland is well-known to be beneficial for physical and mental health, and can sustain a wide range of small enterprises and activities. A profitable forest can invest in amenities which provide jobs, recreation, health benefits, and educational facilities for the local community. Wales has many examples of private forestry diversifying into recreation, including Coed Llandegla, whose outstanding facilities for mountain-biking, trail-running, walking, training courses and wildlife watching were showcased recently on *BBC Countryfile*.

18. Wales has an ideal climate for growing trees and there has never been a stronger economic case for dramatically increasing the forest area of Wales, to create a truly green economy, sustained growth and investment in very high tech industries. Land management policy should be used to encourage woodland creation for Wales, as once established, forestry can deliver a strong economic output and will rely far less on public subsidy.

⁶ Forestry statistics 2016 <https://www.forestry.gov.uk/forestry/infd->

⁵ Woodlands for Wales Indicators. <http://gov.wales/statistics-and-research/woodlands-wales-indicators/?lang=en>

⁷ Upland forestry WALES study: <http://www.confor.org.uk/media/79583/upland-forestry-in-wales-report.pdf>

A competitive and integrated forest sector – innovative, skilled industries supplying renewable products from Wales

19. The WfWS rightly acknowledges the vital role a competitive wood processing sector plays in supporting existing woodland management and stimulating new woodland management. WfWS highlights the opportunities that exist now and in the future and also the challenges the whole forestry sector faces. However the WfWS was written in a very different era, much has changed and the delivery of WfWS needs to evolve to reflect that.

20. In the current climate of austerity, with huge pressures on budgets and less funds to support activity in any sector, the emphasis on a thriving forestry sector being self-financing and able to fund the delivery of WfWS itself, without as much public support, is much greater now than when WfWS was written.

21. The modern forestry sector is very different from its past and from public perception, the harvesting, haulage, land management and wood processing sector is dominated by modern high tech machinery. We need skilled machine operators, computer programmers, electrical and mechanical engineers and management skills in all stages.

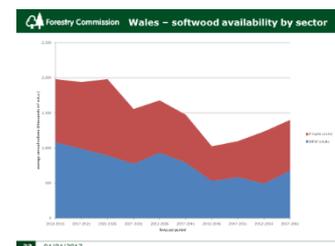
22. There is a vast array of potential careers available to future generations, we need to be much more active in getting that message out to future recruits and we would like WG to support us in that goal.

23. We have a modern wood processing sector in Wales that has invested heavily in recent years to become more efficient. Informal contact with wood processing companies' suggest this is in the region of £46m in just the last eight years with much more planned for the very near future.

24. Many firms tell us they would double or treble capacity if the forest timber resource was there. We do not even need inward investment to achieve growth. Most of the forestry sector is dominated by family-owned Welsh companies that stand ready to expand and create the jobs and growth we need.

25. The forestry and wood-using sector in Wales has an annual Gross Value Added (GVA) of £528 million and employs between 8,500 and 11,300 people in Wales⁵. This GVA could be significantly increased by a programme of productive woodland creation in Wales.

26. However, since 2001, the area of productive conifer woodland in Wales has decreased by 18,000 ha⁵ and as a result by 2029 there will be a major fall-off in the long-term supply of timber⁸ which will be devastating for wood using businesses and jobs they sustain in Wales.



⁵ Woodlands for Wales Indicators 2014-15, <http://gov.wales/statistics-and-research/woodlands-walesindicators/?lang=en>

⁸ NFI Statistical Analysis Report 50-year forecast of softwood timber availability.

[http://www.forestry.gov.uk/pdf/50_YEAR_FORECAST_OF_SOFTWOOD_AVAILABILITY.pdf/\\$FILE/50_YEAR_FORECAST_OF_SOFTWOOD_AVAILABILITY.pdf](http://www.forestry.gov.uk/pdf/50_YEAR_FORECAST_OF_SOFTWOOD_AVAILABILITY.pdf/$FILE/50_YEAR_FORECAST_OF_SOFTWOOD_AVAILABILITY.pdf)

27. However, it is not too late to plant the trees which will sustain the financial future of our rural timber industries and uplands. But we need to act very, very quickly to make up the shortfall in productive softwoods in addition to broadleaved woodland.

28. Advances in tree breeding, by Welsh forest nurseries, has significantly reduced the timescale from planting to harvesting, we are starting to see the benefits of this cutting edge research by increased yields in shorter timescales from the productive softwoods planted in recent years. These new developments give us the tools to react to future shortfalls in production but only if we use them very quickly and get planting trees now. We urgently need to make forestry creation on a substantial scale very attractive to landowners and farmers, particularly in the uplands.

Environmental quality – making a positive contribution to biodiversity, landscapes and heritage, and reducing other environmental pressures.

29. WfWS was very forward thinking when it was written, it tackled issues which were not well recognised at the time and much of societal thinking is only just catching up. WG programmes have delivered positive contributions to most of the aspirations in WfWS and we wish this to continue, hopefully with increased vigour

30. A policy of WfWS which is having a negative impact is the aspiration to restore all Plantations on Ancient Woodland Sites (PAWS). The policy objectives are laudable and worthwhile, however the impact of that policy has not been addressed in the delivery of WfWS.

PAWS restoration will have a detrimental impact on the softwood availability in Wales which is so vital to the wood processing sector. Evidence shows that, depending on the scale of PAWS restoration, it could be between 120000cu m/year and 227000cu m/year in 25 years' time⁹, an annual volume that would keep several Welsh sawmills supplied with timber and secure the jobs they provide.

Whilst we support the ambition to restore PAWS we have repeatedly called for the impacts of that to be mitigated against by an increase in woodland and forestry creation elsewhere. Both private owners and the public forest estate derive income from the timber crops currently harvested from PAWS, to protect that income, and therefore the financial sustainability of the woodlands for owners and the sector, we need to recreate that softwood availability in other non-controversial areas. The biggest impact on achieving PAWS restoration would be for owners to be able to quickly get permissions to plant trees on non-forestry land.

⁹ Restoring Plantations on Ancient Woodland Sites in Wales: Impacts on Softwood Timber Production. Woodland Trust 2016.

31. Forestry and wood processing is a fully sustainable sector: trees harvested to create the everyday wood products that society needs can be replanted in a never-ending cycle. An increase in the economic activity of the forestry sector also delivers all the additional benefits like biodiversity habitats, water management, places for recreation and cleaning the air we breathe.

32. With global demand for timber rising, pressure on timber imports from overseas is also rising. WWF's Living Forests report¹⁰ estimated that 'global demand for wood for timber, paper and energy could triple by 2050 as population rises and consumption increases', and that 'we cannot take three times the amount of timber from global forests without investing heavily in maintaining and creating forests to meet this demand'¹⁰. Wales must reduce its demand on imports and ensure a sustainable long-term domestic supply of timber which historic land use policies have not addressed.

¹⁰ WWF's Living Forests report blog. <https://blogs.wwf.org.uk/blog/habitats/forests/will-the-axe-fall-on-ukbusinesses-when-it-comes-to-timber/>

- **How the strategy will be considered in the context of emerging policies, plans and statements (e.g. National Natural Resources Policy, Biodiversity Plans and Area Statements).**

WfWS is a long term vision, it is based on the UK Forestry Standard, an internationally agreed standard, which is the basis for good forestry practice in the whole of the UK. Both forestry management, and the products that are traded, are cross border activities and it is imperative that we have compatible standards for these activities across the UK.

The forestry sector is dominated by long term thinking which is well outside normal political timescales. We hope that the new forward thinking policies under development by WG will recognise this and incorporate the guidance in both WfWS and UKFS in future Welsh policy.

We believe that WfWS is compatible with, and complimentary to, WB&FGA and the Environment Act and we hope the future NNRP recognises this. The longevity of forestry cycles demands a long term vision, WfWS is that long term vision and it would be in the best interest of the whole forestry and woodland sector to continue with the vision of WfWS and not change that.

- **The challenges and opportunities that arise from leaving the European Union.**

It is becoming clear, emphasised by the current debate around Brexit and the future of land management subsidy, that there will be less public funding available for rural land management. Any funding that is available will surely be focussed around ensuring that public support is paying for public goods enjoyed by a majority of Welsh society, multipurpose forest management epitomises this concept.

We need to ensure that any support is short term and leads to self-sustaining land management, the forestry sector is well placed to deliver self-sustaining land management and by doing so deliver many other benefits to Welsh society.

The debate around public support for land management post Brexit must recognise we have a unique opportunity to change how, and what, we fund in rural Wales.

- **How the strategy is contributing to the delivery of duties under the Well-being of Future Generations (Wales) Act 2015 and the Environment (Wales) Act 2016:**

The UK relies on imports for most of its timber needs.

Creating a domestic timber supply, and providing the products Wales needs in Wales, will be essential if we are to ensure the world's resources are shared fairly, reduce CO² emissions and protect global ecosystems as global timber demand grows.

Welsh culture and language thrives where the rural economy thrives.

By creating a thriving rural economy, people stay in Wales and communities stay together and in touch with each other

Forestry's long-term economic output is 1.5 times that of farming and forms the basis of a prosperous wood-processing and construction sector bringing wealth to rural areas.

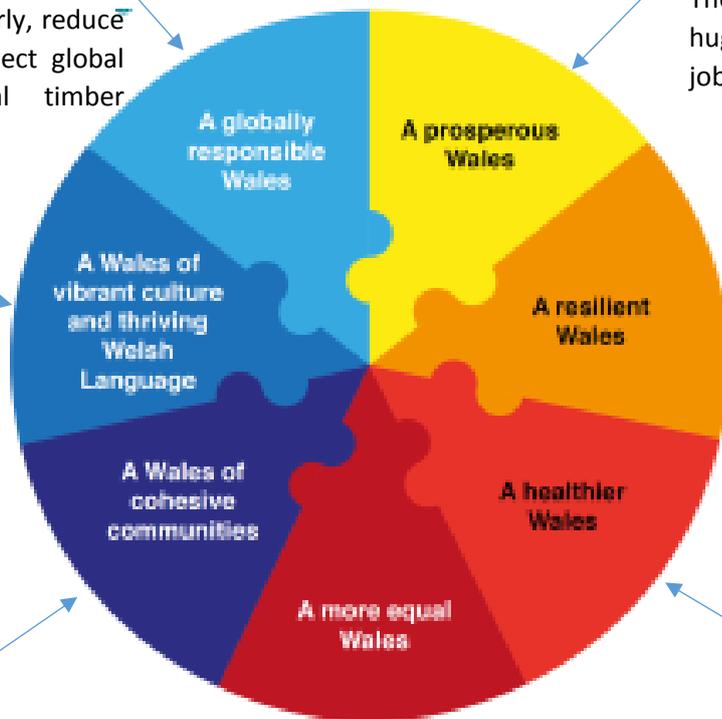
The forestry sector provides a huge variety of well-paid skilled jobs in rural Wales

Forests enhance the ecosystem resilience of the landscape by providing corridors and linking habitats together

They sequester and store carbon helping to mitigating the effects of climate change.

Forests provide clean air and water and recreational facilities for many different types of activity.

Spending time in forests has proven physical and mental health benefits.



Historically, wealth has tended to move from countryside to city and rural areas have declined. Forestry provides the possibility of linking urban and rural Wales through the products and services it provides. Urban Wales provides the demand for products and services that rural Wales can supply.

Rooted in sustainable forestry, timber processing companies provide long-term, stable employment opportunities for rural communities underpinned by a renewable resource which will never be 'worked out'

Confor: promoting forestry and wood (www.confor.org.uk) is a not-for-profit membership organisation for sustainable forestry and wood-using businesses. Confor represents the whole forestry and wood supply chain and focuses on strategic issues vital to the success and sustainable future of the sector. These include helping build the market for wood and forest products, creating a supportive policy environment, and helping members to become more competitive and successful.

Confor has over 150 members in Wales, including forest management companies, sawmills and wood processors, forestry professionals and woodland owners.



www.confor.org.uk

Confederation of Forest Industries (UK) Ltd. Registered office: 59 George Street, Edinburgh EH2 2JG