Welsh Softwood Timber Supplies and Our Green Economy workshop

Summary of Key Points

WORKSHOP 1;

WHAT IS THE INDUSTRY VIEW ON THE LIKELY SCENARIOS OF SUPPLY AND DEMAND?

Key points from the forest industry;

- Following a 25 year slump in commercial planting and reductions in commercial species on restock there is a significant hole in softwood timber supplies in the medium to long term, probably worse than forecast. These reductions are due to an emphasis on broadleaved planting, PAWS restoration, the creation of open habitats, the emphasis on natural regeneration, wind-farm developments, deforestation of deep peats and a reluctance to approve conifer woodland creation in areas considered to have landscape importance.
- There is some faith in the data with an acknowledgement there will be a significant dip although the exact depth of the dip may be debated.
- WG needs to concentrate on the substance of the data. Although it would be helpful to clarify the extent of the dip it is essential not to delay taking remedial action whilst the additional information is gathered.
- It is certain that the dip in supply will affect the Welsh economy with less investment in the forest industry, fewer jobs created and less green growth opportunities.

Secondary points made;

- Data on the likely demand would help but there is an acceptance by the forest industry that demand will rise sharply e.g. the estimated gross tonnage current consumption is 1.46 million cu metres (Cu m), rising to a forecast consumption of between 1.88 and 2.28 Cu m in 2020.
- It is accepted that undermanaged woods are more likely to be broadleaved than conifer and therefore bringing them into management will not help to mitigate the dip.
- There is a substantial volume of conifer woodland available now in the private sector that is overdue and needs support to bring to the market. This extra volume, if mobilised immediately, will help to lessen the reduction in future supplies by bringing land back into production using a more effective crop rotation cycle.

WORKSHOP 2:

WHAT DO WE NEED TO MITIGATE THE OUTCOMES OF WORKSHOP 1?

Key Points; i.e. actions which are within the power of Welsh Government or the forest industry

- Plant much more productive conifer using;
    - Better incentives to farmers/landowners and investors to promote commercial conifer woodland creation, restocking and management
    - Factor in to woodland creation support and approval, mechanisms that recognise the importance of the ecosystem services, carbon benefits (sequestration, substitution, embedding), and flood alleviation, that productive woodland creation provides.
    - A simplified and quicker decision process for new commercial conifer woodland creation and use Glastir to routinely fund restocking using commercial conifer species.
- Integrated supply chain development work with an industry wide timber marketing strategy that gives full consideration to the relationship between the public forest estate and the private sector.

- Stronger communication of the commercial forestry message within the forest industry and to NGOs and wider society.
- Review the PAWS restoration policy in Wales.
- Use education to drive a culture change towards commercial forestry, give faith to investors and create an enabling culture rather than a risk averse approach.
- The findings of the Eskdalemuir report to be examined in a Welsh context.
- Rebalance the wood-fuel subsidy regime to create a level playing field. The true benefits of commercial conifer should be recognised alongside wood-fuel.
- Greater incentives given to mobilise other sources of wood for use as fuel, (SRC, RDF, recycled wood).

Secondary points:

- WG to improve the collection and collation of data using BWW, Glastir and RDP to collect data on the resource, its management and the response to tree diseases.
- Repositioning of the PFE by using the sale of some commercial crops and land to fund woodland creation by the PFE and use private sector management to reduce costs.
- Explore the boundaries of the EU RDP funding and create an enabling culture.
- Drive true economic value by accounting for the benefits of timber use, carbon benefits of product substitution.
- Incentives should allow for the infrastructure improvements required to economically manage our conifer resource.
- Request NFI to use the plot system conducted in private woods to ground truth the sub compartment data in the PFE.
- Promote the greater use of tax incentives nationally to support and drive productive conifer planting

WORKSHOP 2: WHAT CAN THE INDUSTRY DO FOR WELSH GOVERNMENT?

Key Points;

- Jobs, Jobs, Jobs.
- Create a renewable resource for building, fencing, packaging and energy.
- Carbon mitigation
- Assist with water management and quality issues
- Contribute to the green growth agenda