

Producers should be market-led, conference delegates told

Forest owners must focus more on customers' needs, emphasise quality and embrace diversity to deliver economically successful woodlands. These were some of the central arguments made at Making Woodlands Pay, a conference organised by Confor and the Royal Forestry Society.

Forestry Commission Chairman, woodland owner and investment adviser Sir Harry Studholme said "producing what people want" had to be a primary consideration for all forest owners. And Keith Blacker, of wooden log store manufacturer Edistone of Llanfyllin, said the industry had to be much more focused on what the customer wanted. "The forestry sector tends to look at planting a tree first and thinking about what the customer wants last," Blacker said.

Sir Harry said the UK forestry sector had to be aware of the impact of and opportunities offered by global trends, especially the fact that China – already by far the world's largest timber importer – would require more imports in future when logging in its national forests ends in 2017. "Inexorable demand will fuel an enormous demand for timber," he said.

Oliver Combe, of Timber Auctions, said Brexit also offered major opportunities: "Our world was turned upside down but it does create opportunities." A sluggish market in late 2015 had transformed, with sawmills busy and looking for timber and investing in increased capacity. Prices for good-quality timber were strong, with the pound likely to remain weak for five to ten years – and if the pound continued to fall and reached parity with the Euro, Mr Combe thought we might see rising UK timber exports, possibly some of them to China.

However, Mr Combe said planting trends bore no relation to market demand. "We produce 12 million tonnes of softwoods annually in the UK and 500,000 tonnes of hardwood. That [much greater demand for softwood] does not represent what is happening with planting – we are planting more hardwood, which the market does not really want."

Sir Harry said it was "a real challenge" to ensure continued productive planting and warned of a hardwood glut, with the 500,000 tonnes likely to rise to three million tonnes due to planting

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Sir Harry Studholme



A forest block is being surveyed to ensure the highest value is recovered from the trees. In this case, trees will be cut for niche market products. Credit: Forestry Commission

policies. Despite the rise in woodfuel demand, it would be tough to find markets for so much hardwood, he argued.

Oliver Combe said firewood markets, which had been "fantastic" for the forestry sector before tailing off due to imports and cheap oil, showed signs of bouncing back. Justin Mumford of Lockhart Garrett agreed, saying firewood had been a "fundamental game-changer for lowland forestry", with prices rising from around £2 to £22 per tonne – but he warned against complacency as half of UK internet firewood buyers were supplied with wood from abroad. He urged producers to diversify their markets and recover higher value from hardwood, not just "mash it up" into firewood. He added: "Quality is critical. If you have the quality, you can go up the value scale."



Scientist inspects some of the Sitka spruce pollens held in cold storage. Credit: Forestry Commission

CONFERENCE HIGHLIGHT

‘Keep an open mind when it comes to tree breeding’

Jason Sinden of Tilhill Forestry said if the forestry sector wanted to grow trees that provided strong, stiff timber with good sonic qualities and elasticity which did not warp when dried, it had to consider the entire range of possibilities to achieve this.

Tree breeding strategies were already moving from selection to editing and now building from scratch (synthetic organisms have been around since 2010), he concluded.

Steve Lee of Forest Research described the cost and complexity of "the long, slow process of tree breeding". He said good trees were a prod-



Effective marketing is important; you need to understand what you are selling.”

Justin Mumford thought woodland owners were becoming more savvy about marketing and said “a good quality brand and delivery to the end user allows you to gain a premium price”. However, he warned owners to invest early in the process to make woodlands pay - in mechanization, plant protection and especially infrastructure, which could save money further down the line on planting, maintenance and thinning.

Despite the uncertainty of Brexit, Mr Mumford thought grants were here to stay in forestry, especially as the government was looking increasingly at the sector’s wider benefits, including flood alleviation, climate change mitigation, soil management and biodiversity. He also stressed the growing importance of deriving an income from trees when “standing and alive” via recreational opportunities (like Go Ape and paintball centres) and the Woodland Carbon Code, which placed a new value on timber.

uct of both their environment and genetics and it was time-consuming, expensive and challenging to separate out the genetic element.

“Are we breeding the right trees?” Lee asked. “They [the coniferous trees currently the main research focus] are fast-growing and straight but a shorter rotation means there is more juvenile core at the centre of the tree – and we need to ensure that it is strong enough to make construction grade timber.”

Lee said we are sometimes guilty of wanting to grow the perfect tree and added: “One person’s perfect tree is another person’s wrong tree. We have to go where the money is.”

Confor’s Technical Director Andrew Heald said the UK should follow the lead of other countries and look to match species with soil and climate: “It’s called precise silviculture; what we do here is imprecise silviculture.”

Mr Heald admitted it was difficult to predict future market trends when looking at tree breeding. “When I first went to Brazil, they were trying to reduce the lignin in the tree. Now they want to increase the lignin because of its value as a fuel.”

CERTIFICATION

FSC International strikes again

Following FSC’s International rejection of the 4th revision of the UK Woodland Assurance Standard, Confor has been working hard to resolve the issue as soon as possible. Technical Director Andrew Heald, said “We have had a frustrating meeting with the Director General of FSC International Kim Carstensen and with the Head of Policy Standards Unit Joachim Droste; four weeks after being told about the rejection we are still waiting for a detailed explanation of why.”

Andrew added “We have been in constant dialogue with FSC UK who have been very supportive and helpful in difficult circumstances.” Andrew

has also spoken with several members of the FSC International Board prior to their recent quarterly meeting. “It is hugely frustrating when FSC International say they want to streamline standards and focus on outcomes, that they then micro-manage UKWAS and dismiss the expert opinions of the 25 strong UKWAS Steering Group.”

The UKWAS steering group, which represents everyone from the RSPB and Woodland Trust to management companies and the ICF, was due to meet on Friday 02 December, when a decision on whether to appeal FSC International’s decision would be taken.

Update on UKFS revision

Confor is representing forest owners and managers on the “Reference Group” which is advising on the light-touch review of the UK Forest Standard and guidelines documents. After a meeting of the group this month, Technical Director Andrew Heald says that “good progress has been made, and the project is on the right track”.

We expect to see a draft of the UKFS Guidelines documents around the turn of the year, and to have a new 4th edition of the Standard in place by the end of March 2017. This will update, consolidate and extend the life of the Standard and Guidelines and:

- ensure the series includes recent changes to legislation relevant to forestry and other regula-

tory requirements;

- reflect key policy changes arising from increased devolution;
- update with developments in the organisations and mandates of the forestry authorities (eg NRW replacing the Forestry Commission in Wales).

The review is being overseen by a Steering Group comprising forestry policy leads from England, Scotland, Wales and Northern Ireland, chaired by Forestry Commission Cross-border services. Further input and advice is provided by the external reference group of sector representatives, including Confor.

The 4th edition will be digital only and optimised for mobile devices.

Confor welcomes new Carbon Fund

A new grant opened on 10 November aimed at encouraging planting of new large-scale multi-purpose woodlands across the country. This will help to meet Government’s future carbon targets and deliver a wide range of other benefits including increased recreation, biodiversity, improved water quality, prevention of soil erosion, enhanced flood protection and producing timber and wood fuel.

“Confor has lobbied hard for greater productive tree planting, and this additional funding will help to provide the resource that the forestry sector needs for the future”, said chief executive Stuart Goodall.

“This fund will target the planting of forests over 30ha, the scale needed to make a new forest

viable for producing future supplies of wood, as well as delivering the wide range of environmental benefits that modern forests provide.”

The scheme is open to landowners, eligible farmers, local authorities, community forests and others. Multiple ownerships can apply for one scheme.

Maximum grants available will range between £6800 and £8500 per hectare depending on its location, with the higher rate available where there is an access need and permissive access is granted. Discretionary footpath access payments will also be available.

Details about the Woodland Carbon Fund, eligibility and the application forms and guidance are at www.forestry.gov.uk/england-wcf.

Accolade for website

Confor’s new website was nominated for the 2016 Timber Trade Journal Annual Awards. Now in their 20th year, the Awards showcase the sector as a major, modern and forward-looking industry.

Narrowly missing out on a first place, Confor chief executive, Stuart Goodhall, said: “This nomination asserts our ambition to put communications at the heart of Confor’s operation to drive



UK forestry forwards. The team has worked really hard to get us here and I look forward to carrying this momentum into 2017”.