



Business Plan 2017

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Introduction

2016 was a tumultuous year in politics and currency exchange markets. It also saw a continuation of reductions in public funding and resources, and the impacts of devolution of forestry policy. Confor continued to raise its game throughout the year, to the benefit of the sector, but the challenges and opportunities we face are still increasing.

If the sector is to take advantage of arising opportunities, then it needs to both increase and make better use of its resources in 2017 and beyond. Other sectors and NGOs each have significantly greater resources – we need to at least use our existing resources better.

In the political sphere, Confor has widened its contacts with politicians, their officials and advisers. This is helping to mitigate the impact when a minister moves on so that a hard-won relationship is not entirely lost. We are also working more with backbench politicians to pursue issues.

This activity, complemented by an increased presence in the media, has seen progress made on key issues. In England, for example, there is now productive planting coming forward at scale for the first time in over a decade. Furthermore, the now traditional drop-off in planting following the introduction of a new scheme has been exposed in the mainstream media and Parliament leading to real pressure for urgent action by the Government. The minister subsequently announced a new £19.1m fund for carbon planting.

This increased influence will be vital to tackle both the usual suite of issues, but also the significant challenge that will be Brexit. Leaving the EU, when it comes, will have a fundamental impact on rural policy and support, on standards and regulation, as well as on plant health and issues like movement of labour. Securing the sector's interests will be difficult, but there will also be opportunities to promote the sector that could yield benefits for decades.

Building on its greater influence on behalf of the sector, Confor will need to do more, including developing the ideas and evidence on how promoting the sector's interests will benefit society and on what action is required to achieve those benefits.

Looking back, we can see that the landscape has completely changed since the early 1990s. The Forestry Commission (FC) has evolved to become an objective deliverer of government policy that embraces environmental, recreational and business interests. In common with most parts of government, internal resources have reduced.

It is now up to the sector to speak up for itself, decide what it wants for a successful future and to step up to the plate to argue for it. That is the role of Confor. In 2017, Confor can claim to represent all parts of the supply chain and it can present what politicians and their advisers want – one, clear voice.

Athole McKillop
Chair

Summary list of actions for 2017

Action 3.1.1: prioritise resourcing an ongoing, integrated lobbying and media campaign on wood supply, developing evidence that can be used across the UK.

Action 3.1.2: protect the existing resource, promoting restocking within fit-for-purpose grant schemes and tackle regulation that undermines new planting.

Action 3.1.3: drive further improvements to grant schemes and seek to secure additional sources of funding.

Action 3.2.1: develop and promote with partners a detailed sector proposal on how forestry can deliver prosperous rural areas with high levels of environmental benefit.

Action 3.2.2: produce specific proposals for how EU legislation can be adapted to better suit the UK circumstance.

Action 3.2.3: develop and promote a new government strategy to protect trees from introduced pests and diseases.

Action 3.3.1: continue to raise the profile and understanding of the industry through integrated media and lobbying, making use of external contracted resources.

Action 3.3.2: develop relationships further with the media and with other business and NGO groups to strengthen and widen our channels of communication around the message of “Greening the Rural Economy”.

Action 3.3.3: work with members to develop more integrated communication of key messages about the industry, utilising materials that Confor produces.

Action 3.4.1: continue to resist new initiatives by FSC International that increase cost at no benefit to UK forestry.

Action 3.4.2: work with partners to develop lower cost certification through such means such as enhanced group schemes, based on a risk-adjusted approach to UK forestry.

Action 3.5.1: support WfG’s efforts to secure increased income, while helping manage and develop its campaign strategy.

Action 3.5.2: support the GiB campaign to provide market access through its work with the construction sector and the processes that drive timber purchasing decisions, and assess the opportunity for it to provide a means of demonstrating legality and sustainability.

Action 3.6.1: continue to build membership and also speak to other organisations about the benefits of merger.

1. Confor's role

Confor: Promoting forestry and wood is a membership organisation that promotes sustainable forestry and wood-using businesses. Its strength is that it gives a small sector a more powerful voice. Confor represents the whole 'supply chain', including nurseries, contractors, growers and professionals, sawmills, panel-board producers and wood and woodfuel supply businesses. Confor focuses on the core strategic issues that are vital to the success and sustainable future of individuals and businesses, but which they cannot tackle alone.

Confor focuses on the following:

- Helping to build the market for wood products and forest services;
- Creating a supportive policy environment for forestry and wood-using businesses;
- Working with partners to tackle ongoing sectoral issues such as research, skills and business support;
- Providing high quality, valued member services.

This business plan assesses the current operating environment, looks forward to identify the strategic challenges and opportunities facing the sector and identifies actions that Confor will seek to deliver in 2017.

The Board of Confor has identified six priorities for Confor in 2017, with priority 5: *Promoting markets* largely being delivered through third parties.

1. Securing wood supply in the short and longer term;
2. Protecting and promoting the sector's interest as the UK exits the EU;
3. Changing attitudes towards the sector amongst politicians, civil servants, environmental NGOs and the public;
4. Driving fundamental improvement to the operation of forest and chain-of-custody certification;
5. Promoting markets for wood products and supporting woodland management;
6. Consolidation in industry representation.

In addition to these, Confor will continue to strengthen member services and grow membership, as well as monitor outbreaks/spread of pests and diseases and stand ready to take action. Confor will also work with other organisations to pursue shared objectives, such as skills/recruitment that other organisations are better placed to tackle on behalf of the sector.

2. Analysis of the operating environment

Political/policy

In 2016, Confor significantly stepped up its game in media and political activity, and this has been widely recognised in the sector, as well as, crucially, amongst the people we seek to influence. Confor is now regularly being approached to provide evidence and advice to politicians and those who work with them – we are no longer trying to open doors, they are being opened for us. It can be very difficult to get the media to keep coming back to what they see as a minority area of interest, but Confor has succeeded

in securing continued exposure for the sector and sticking to the main themes of raising awareness and understanding, and highlighting the key issue of new planting and future wood supply.

There is still much work to do, but the new website and communication materials are valuable assets and ones that the wider sector can make even greater use of to support a common goal.

The rejuvenated All Party Parliamentary Group on Forestry at Westminster has been a major success with its chair securing an inquiry into forestry and a valuable Westminster Hall Debate. The Group's meetings provide an opportunity for influence, including on tree planting and flooding, and unlocking of funds to support woodland creation planning grants. In Scotland, the sector is fortunate to have a knowledgeable and supportive minister at Cabinet Secretary level, but this cannot be relied upon in the long term, and activity continues to build relationships across the parties and with key committees at Holyrood where we have repeatedly been asked to give evidence.

In Wales, Confor has secured frequent meetings with the new Cabinet Secretary taking that relationship to a new level, and Martin Bishop has had many personal meetings to promote the sector's interests with the minister and other politicians across the Assembly. In Northern Ireland, there is real interest in driving up planting and Confor has facilitated advice.

Over the last year, Confor has also done more to establish and build relationships with farming/landowning bodies and NGOs, again with bodies now seeking to work with us. These relationships provide us with greater reach and influence, and will be particularly relevant with our work on preparing for exiting the EU.

Preparations for exiting the EU will continue in 2017 and, for Confor, it will be important to raise awareness of the sector and set out markers for how the sector's interests can both be protected and promoted, especially in rural policy and support.

The legislation to complete the devolution of Forestry Commission in Scotland will wind its way through Holyrood by summer 2017, and it is likely that progress will be made on determining the future structure and remit of Forest Research.

Confor has successfully resisted changes to targets and conditions for its Climate Change Agreement that would have added significant costs to participating sawmills. It is hoped that no more threats will arise in 2017 and instead Confor can focus more time on bringing additional sawmills into the CCA.

With opportunities increasing and previous work now opening new doors, Confor will have to keep building its resource to maintain and enhance its levels of service to members in the countries of the UK.

Markets

2016 opened with a strong Sterling (high 1.30s in Q4) and weakening of some key global markets which had turned the attention of exporters even more towards the UK. The run-up to, and especially the period after, the vote to leave the EU on June 23rd has had a significant impact on Sterling with it falling to lows not seen for many years. This, in time, will help domestic producers, though landed stocks and existing contracts

mean that the benefit has been slow to materialise. The signs are that Sterling will still stay soft as the markets remain very sensitive to a 'hard Brexit' and there is little sign of that option being taken off the table by the UK Government.

Prices for small roundwood have remained relatively strong, in part because of demand from the energy sector, which is also strengthening the price of some sawmill co-product.

If, as expected, there is increased demand for domestic wood, then this is likely to expose concern over certified supply and skilled labour. There have been stories of foreign workers leaving the UK as their wages, once converted from Sterling to their home currency, have had an effective sizeable cut.

UK growth has been stronger than forecast, though it is predicted to remain below previous projections which were based on the UK voting to remain in the EU. House-building has seen a modest increase overall, driven by private sector activity. The UK Government has announced plans to drive up new house-building, including promoting off-site solutions. Repair maintenance and improvement has declined by 12.0% in the public sector over the last year and by 1.6% in the private sector.

The construction industry is forecast by the Construction Products Association to grow 0.4% in 2016 and fall by 0.6% in 2017, then rise by 1.2% in 2018. This represents a significant downward revision from a year ago. Private housing starts are forecast to rise 2.0% in 2016, before falling by 2% and 1% in 2017 and 2018. Public housing remains under significant pressure.

Demand for woodfuel from virgin or sawmill co-product is growing, but much more slowly than in the past as public funding support has been cut and there is no sign it will be increased again in the near future.

Forest resource and wood supply

Future availability of wood remains a principal concern for the sector, though Confor has secured significant progress in Scotland and, to a lesser extent, in England. The volume of applications is rising in Scotland and the proportion of productive conifer has increased hugely, to the point where concern is rising about native woodland planting. In England, through our efforts, the Woodland Creation Planning Grant has brought interest of around 2,000ha of productive forestry and the announcement of an additional £19.2m from carbon funding will be targeted at larger productive schemes. Confor has also secured support for tree planting as part of responses to future flood threats. The issue is now, as it is in Wales and Northern Ireland where productive planting is back on the agenda, will the sector step up to the mark and take advantage of the funding available?

The long asked for 'Canopy report' was finally published, and it includes an alarming statistic which appears to show that only just over half of conifer felled in 2006 has been restocked with productive conifer species. Confor has been challenging the countries to explain the apparent losses, but it is proving difficult to get simple, clear answers.

Certification, both in the forest and the supply chain, remains a real cause for concern, with the opportunity cost, and actual cost, of certification rising. The revision of UKWAS

will assist, but FSC International's blunder in initially rejecting the revised standard demonstrates once again that it has real problems providing a customer-friendly service. Confor has advised Grown in Britain on developing a new super-group scheme certification approach that could make certification more accessible and user-friendly in the UK – that is, if FSC and PEFC accept it. As demand for home-grown wood rises, and private sector supply dominates, there is real potential for problems in the supply chain in 2017 unless fundamental change is secured.

Pests and disease

Continuing the pattern of the last few years, 2016 saw a welcome slowing down in the spread of some diseases, in particular of *P ramorum*, though Ash dieback remains a concern, especially in terms of the cost of dealing with dangerously positioned trees. Confor maintains a watchful eye on disease issues and its consequences, including a lack of restocking.

Squirrel and deer remain a real threat, and though public policy, especially in England, appears to be waking up to the need to control them more effectively, the loss of Warfarin is a blow. It may be that, post-Brexit the use of Warfarin can be revisited.

Recruitment and skills

This remains an important issue and one where the principle of organisations playing to their particular strengths indicates that Confor should look to others to take a more active lead – for example, the RFS, ICF and the Forestry Commission. Confor should continue to support and encourage these organisations to act to attract new recruits into the industry and to provide opportunities for skills development.

Confor's wider role

Confor will continue to act as a focal point for industry action to support wood promotion, health and safety, timber transport, research activity, UKWAS and skills. Confor can use its broad membership to the advantage of the forest-based industry. It is widely seen as the lead organisation for the private sector, and it can disseminate information from government out to the sector, gathering opinion and information and passing that back to help inform governments and influence decisions. It can also co-ordinate more action on promoting awareness and understanding of the sector, both through the quality of the materials it has produced, but also by supporting more businesses to include key messages in their own external communication.

3. Focusing on key challenges

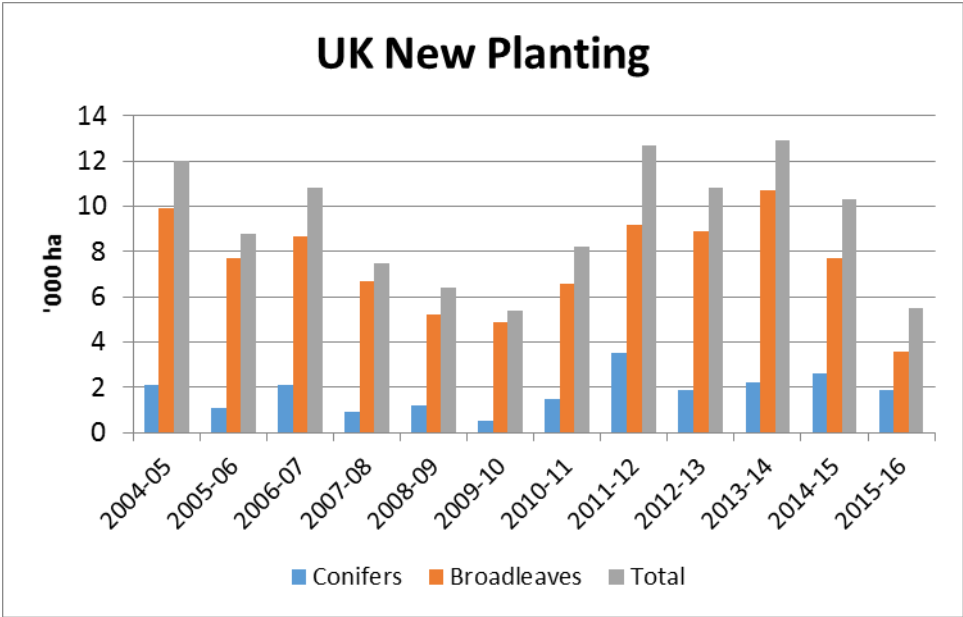
In order to focus Confor's resources tightly on the big issues facing the sector, five key challenges are identified for Confor to lead on, with another - growing markets and woodland management, to be driven by partners. Other activities will arise and be addressed, but not to the detriment of delivering on these priorities. In its work, it is vital that Confor both feeds back to, and captures the views and expertise of, members.

3.1 Wood supply

Confor's constant lobbying and media activity on this issue is paying benefits in Scotland and England, and, to a lesser extent in Wales, with planting also being

supported in Northern Ireland. Across the UK, there is the potential for planting to stall or at least slow, because of uncertainties around funding because of Brexit. In Scotland, Confor secured a review of processing applications by ex-chief planner, Jim Mackinnon and will push for speedy implementation of his findings. In England, Confor has pressed for significant improvement to the operation of the grant scheme, though there will probably still need to be funding to de-risk the application process through the planning grant that Confor suggested. In Wales, there remain significant issues of restocking the public estate.

Table 2: new planting (annex A for country breakdown)



Confor’s work to build wider partnerships and support for forestry will be increasingly important in the context of Brexit, as will providing evidence and case-studies, similar to those for flooding and carbon.

The future status of the public forest in England and Scotland will also be key as these still supply a significant proportion of the wood supply, generally on long-term contracts.

In 2017, Confor will:

Action 3.1.1: prioritise resourcing an ongoing, integrated lobbying and media campaign on wood supply, developing evidence that can be used across the UK.

Action 3.1.2: protect the existing resource, promoting restocking within fit-for-purpose grant schemes and tackle regulation that undermines new planting.

Action 3.1.3: drive further improvements to grant schemes and seek to secure additional sources of funding.

Resource implications – these actions will take up a significant proportion of national manager’s time and that of the CEO and Andrew Heald. The continued lobbying and media campaign will require a specific cash resource.

3.2 Protecting and promoting the sector's interest as the UK exits the EU

EU legislation and funding touches on every part of the forestry sector. Uncertainty over future CAP funding and corresponding grants for forestry could impact on planting levels just as the benefits of Confor's work in recent years is coming to full fruition. Looking ahead, post-Brexit, there is scope for forestry to benefit significantly if Confor can persuade politicians and policy makers to adopt a blank-sheet approach and not just try to evolve the current CAP-based approach to rural policy and support.

Exiting the EU will also create opportunities to change the way that plant health protection operates as well as bring opportunities to adapt current EU environmental legislation, such as European Protected Species and the Industrial Emissions Directive, to maintain the principle of achieving the environmental protections required, but without the negative unintended consequences that can arise from legislation agreed across 28 countries rather than targeted at the UK's particular circumstances.

In seeking to influence policy, support and regulation it is vital that Confor builds alliances both to help achieve the outcome, but also to reassure that we are proposing actions that are realistic and beneficial.

In 2017, Confor will:

Action 3.2.1: develop and promote with partners a detailed sector proposal on how forestry can deliver prosperous rural areas with high levels of environmental benefit.

Action 3.2.2: produce specific proposals for how EU legislation can be adapted to better suit the UK circumstance.

Action 3.2.3: develop and promote a new government strategy to protect trees from introduced pests and diseases.

Resource implications – our researcher, Eleanor Harris, will develop much of the thinking on these topics, and then Stuart Goodall and Andrew Heald, plus national managers, will take them forward.

3.3 Changing attitudes towards the sector amongst politicians, civil servants, environmental NGOs and the public

Misconceptions about the industry continue to make achieving sector and individual owner and business goals harder. We need the operation of the sector, harvesting and transporting trees, and creating new forests, to be recognised across the UK as a positive and everyday activity.

Significant progress was made in this area in 2016, especially in England and Scotland with increasing numbers of politicians recognising that forestry is an important industry and the media taking an increasingly supportive interest. Though, overall, the media remains poorly informed, outside Scotland.

The new website, visual media and social media are having an impact as it is puts Confor in front of a wider group of interested people, politicians and media. They need a constant drip feed, and this is being provided. There is an opportunity for the sector to

be more joined up in how it utilises the resources that Confor provides and in putting across consistent, clear messages. There would also be benefit in members informing Confor of news and media they have secured so that Confor can further communicate these – adding value.

In recognition of the increasing opportunity provided by Brexit and the need to position forestry as a solution both for those who want living, working rural areas and those who promote environmental concerns, Confor should adjust its core message to “Greening the Rural Economy”.

The Forestry Commission has fewer resources to promote forestry which is likely to see a continued reduction in awareness, as can be seen in the last FC survey. It shows a reduction in the recognition of all the benefits of forestry at a UK level. Confor, and the wider sector, need to do more to take up the slack.

Table 3: Reasons woodlands and forests are important to the public (FC survey 2015)

Reason	UK			
	2009	2011	2013	2015
People can have fun and enjoy themselves	94	95	91	89
They are important places for wildlife	97	97	93	88
They are places where people can relax and de-stress	95	95	91	88
They are places where people can exercise and keep fit	..	94	89	87
People can learn about the environment	91	90	87	84
They make areas nicer places to live	96	90	87	83
People can learn about local culture or history	69	71	72	68
They contribute to the local economy	59	60	60	58
They bring the community together	50	54	56	57
They get people involved in local issues	63	57	60	54

Source: UK Public Opinion of Forestry Surveys

In 2017, Confor will:

Action 3.3.1: continue to raise the profile and understanding of the industry through integrated media and lobbying, making use of external contracted resources.

Action 3.3.2: develop relationships further with the media and with other business and NGO groups to strengthen and widen our channels of communication around the message of “Greening the Rural Economy”.

Action 3.3.3: work with members to develop more integrated communication of key messages about the industry, utilising materials that Confor produces.

Resource implications – the lobbying and media activity will engage the CEO, communications manager and Andrew Heald, supported by funding in the region of £80,000.

3.4 Certification and resilient forests

Independent assurance of legality and sustainability is still a requirement of access to many markets and Confor needs to continue to assist industry in providing evidence of that, where it is required, in a financially viable and credible way. Working with members, action will be taken in 2017 to reduce costs.

A lot of work has been taken forward on this focusing on UKWAS and on developing lower cost certification, primarily through enhanced group certification based on a risk-adjusted approach. Confor continues to resist new initiatives by FSC International that add cost and no benefit to UK forestry, and to advise members on how to reduce their costs.

In 2017, Confor will:

Action 3.4.1: continue to resist new initiatives by FSC International that increase cost at no benefit to UK forestry.

Action 3.4.2: work with partners to develop lower cost certification through such means such as enhanced group schemes, based on a risk-adjusted approach to UK forestry.

Resource implications – These actions will be co-ordinated by Andrew Heald.

3.5 Grow markets

This is an ongoing core activity for Confor, but is principally delivered through working with others in campaigns like Wood for Good (WfG) (half-owned by Confor with Swedish industry) and Grown in Britain.

Confor has strengthened the operation of WfG through employing Christiane Lellig and secured support for its further development into 2017 where it will focus on the housing sector. The aim is to promote timber as the building and design material of choice to the housing market, with special focus on the custom build and social housing sectors - particular attention is to be given to promoting wood in affordable and sustainable buildings. It will also continue to provide well-regarded online and seminar-based training for architects and other key audiences, and promote wood through relevant industry awards. Stuart Goodall, Jon Stevenson of James Jones and Hamish Macleod of BSW sit on the board.

GiB is promoting market access and helping to develop innovative products from home-grown wood to substitute imports, for example Thermally Modified Timber and Acetylated wood.

Confor's cross-sector position on woodfuel, promoting local-scale markets, principally heat and opposing new large-scale, dedicated power only developments that would displace existing markets has proven successful, influencing Governments and securing strong member support. At this time, there does not appear to be a major threat to the sector from developments in large biomass electricity which are utilising imports.

In 2017, Confor will:

Action 3.5.1: support WfG's efforts to secure increased income, while helping manage and develop its campaign strategy.

Action 3.5.2: support the GiB campaign to provide market access through its work with the construction sector and the processes that drive timber purchasing decisions, and assess the opportunity for it to provide a means of demonstrating legality and sustainability.

Resource implications – the WfG role is relatively small and focused on the chief executive, with funding available from WfG to pay for the administrative and financial support provided by Roland Stiven.

3.6 Consolidation in industry representation

Confor is creating an increasing number of opportunities to promote the sector's interests and this then generates an increasing need for more resources. One way of making a step change in this, is through merger with related organisations where coming together would release resource by removing duplication of activities. Merger would also achieve a stronger, single voice for the sector which increasingly busy politicians and civil servants are calling out for from lobbying bodies.

In 2017, Confor will:

Action 3.6.1: continue to build membership and also speak to other organisations about the benefits of merger.

Resource implications – the CEO will take a lead on this, working with members of the Board.

3.7 Other key activities

Timber security is a real issue for the industry, undermining fair business competition and potentially staining the image of the sector. Confor will finalise guidance, and continue work on technological solutions such as timber tracking technology in 2017. We will also continue to address the issue of 'rogue traders'.

Confor plays a leading role for the sector on pests and diseases, participating on various country and UK-wide groups, providing information to members and channelling expert opinion to public officials on P&D strategies. Confor will monitor developments, standing ready to act to represent the views of the private sector.

Timber transport remains a key issue both in terms of accessing existing mature timber resources over fragile roads and in considering new areas for productive planting. Confor will continue to part-fund and host the GB Timber Transport Officer's post.

Confor has assisted the development of the Forest Industry Safety Accord through its own participation and communications, and by providing administrative and financial support. Confor also provides a similar service to UKWAS.

Confor will continue to press for action by others on skills and operate its Education and Provident Fund.

4. Building a strong Confor

A successful sector needs a successful trade association. Confor has reversed a history of decline to secure continuing year-on-year growth in the numbers of members and on income. It now provides a flexible, and growing, suite of services to a broad membership.

In demonstrating value-for-money, it is always a challenge to explain the difficult and time-consuming nature of influencing and generally representing the sector's interests. It is easy for others to claim some credit for Confor's successes. Confor has sought to increase engagement by members in its activities to improve member input and, crucially, drive greater understanding of its activity and successes.

Membership amongst forest owners and small businesses is showing continued growth, but experience has shown the difficulty of increasing membership levels amongst this community. Agents play a key role in the sector, representing clients who would otherwise be members of Confor. The agents themselves benefit considerably from Confor's work.

Confor has also been successful in attracting new sawmill members, it now represents approximately 70% of the sawn timber production in the UK, alongside being the pre-eminent representative of those owning and working in forests. Attracting new members and delivering valued services to mills will be a priority for 2017.

In 2017, Confor will:

- focus recruitment efforts on agents' clients and ask all agent members to initiate a recruitment exercise within their client base, challenging them to bring at least 50% of their clients into membership.
- encourage committee members to take a more active role in member retention and recruitment.
- attract more sawmills into membership and improve service provision to sawmill members.

5. Better communication for greater impact

The basic premise of Confor is that the sector is relatively small and that when each part seeks to speak independently it has little impact, and at times cuts across other parts, undermining everyone. A mill, forest owner or contractor may wish to have their view put across undiluted, but a position built up from all interests carries far more weight and is far more likely to have an impact – 50% of something good is better than a 100% of nothing.

A challenge for Confor is that most members are unaware of the process that is gone through to develop an industry position and some feel that interests other than their own dominate. Improving communication internally will both help members understand that their views are being represented fairly and strengthen what Confor says on

members' behalf. It will also assist with retention and recruitment, demonstrating benefits to members and attracting new members through the visibility of its actions.

In 2017, Confor will:

- Promote more member engagement in determining the content of regional meetings plus enews and FTN.
- Encourage members to come to meetings and have their say on how Confor can represent their interests.
- Make notes from key meetings that staff attend available through the new website.
- Assist others with external communications, for example speaking to or getting articles into news media in the devolved regions, promoting the sector to wider society.

6. Investors in People

Confor was successful in retaining its Investor in People (IiP) status is when it was audited in January 2016, with a frankly glowing report. Confor will seek to continue to utilise IiP to develop staff learning and development and present a professional image to those it influences.

7. Budgets

7.1 The table below presents indicative budgets for the Plan period, showing the main sources of income and the main categories of expenditure.

INCOME (£000)	2017	2018*	2019*
Small business subscriptions	360		
Large business contributions	337		
Special interest groups	5		
Project income	182		
Other income	171		
TOTAL INCOME	1055		
EXPENDITURE (£000)			
Staff costs	554		
Project expenses	84		
Events and publications	68		
Research/lobbying/media	145		
Communications	8		
Office running costs	107		
Postage and stationery	7		
Subscriptions	13		
Management expenditure	2		
Professional, contract and consult.	23		
VAT, deprec. and contingency	42		
TOTAL EXPENDITURE	1052		

*Estimated

8. Risk assessment

8.1 Regular risk assessments will be undertaken as a routine element of management and board meetings. The main *external* risks that might affect planning include:

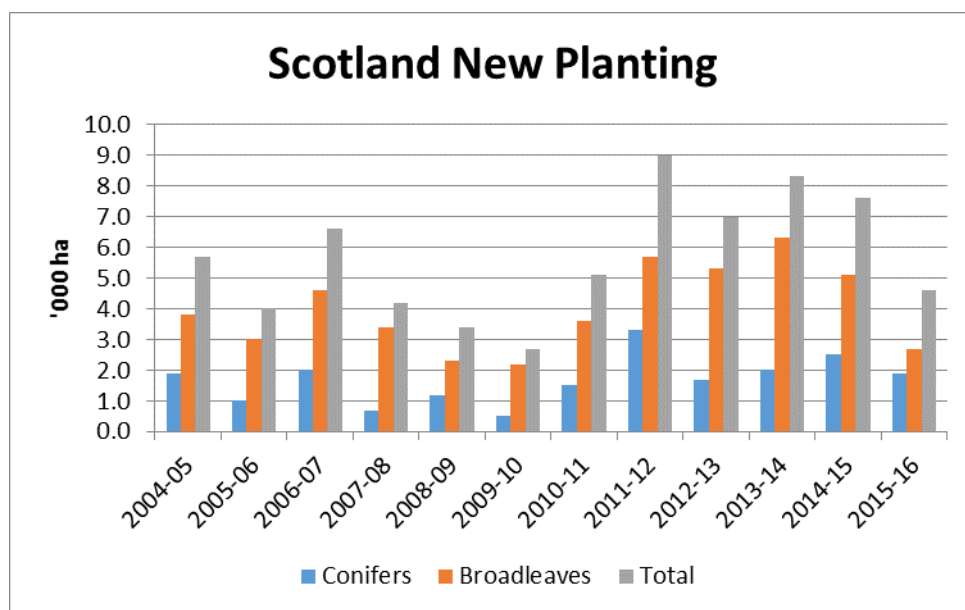
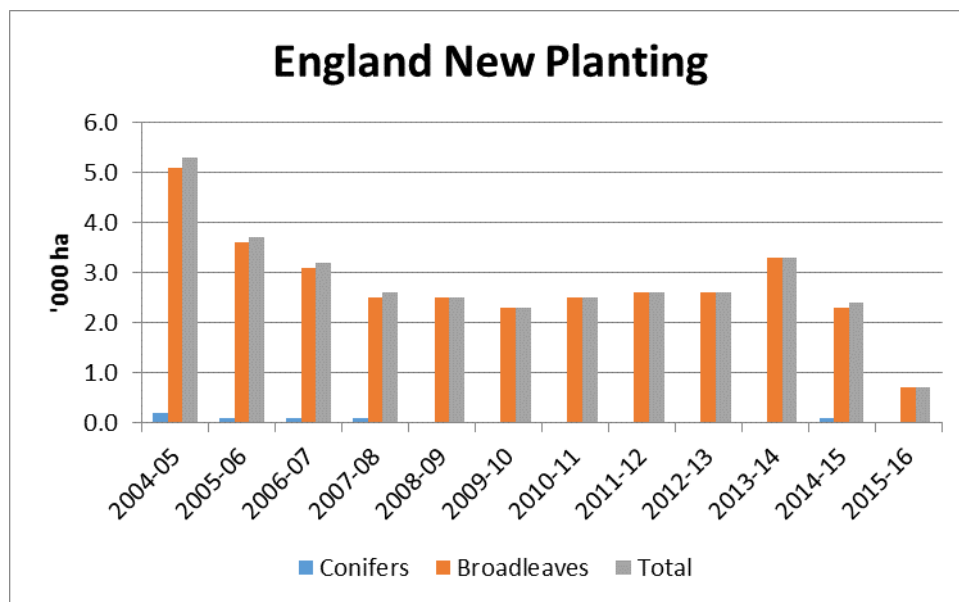
- negative change in the overall economic climate or in exchange rates, that materially affects demand for member's product in the main construction and energy markets.
- more aggressive marketing by competing materials.
- climate change impacts on species selection, timber production and quality.
- lack of recognition within Government of the importance of commercial forestry and of increased planting levels.
- pests and diseases, in particular, if *P ramorum* 'jumped' to Sitka Spruce much of the industry would be in serious trouble.
- further loss of forestry and timber influence in government, for example the disappearance of the FC.
- fundamental devolution that would create less focus on UK national issues and more on devolved parliaments, with a consequence for resources and the benefits of shared services.

8.2 The main *internal* risks to be monitored include:

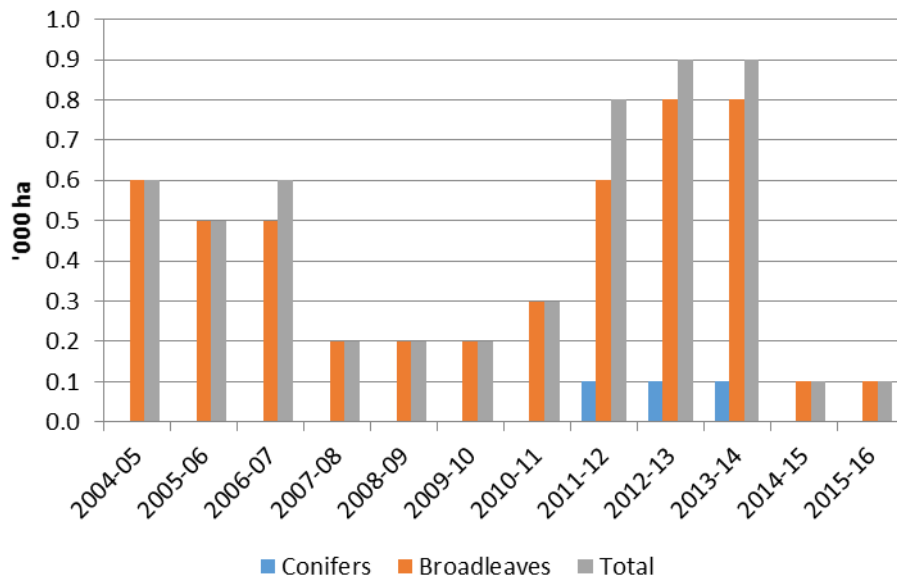
- reversal of growth in membership numbers and income.
- loss of support from larger subscribers or mergers and acquisitions.
- failure to communicate activity and successes to members.
- insufficient participation from members.
- lack of coherence and evidence in policy influence work.
- dilution of effort away from core objectives.
- loss of key staff.

Confor
December 2016

Country new planting



Wales New Planting



NI New Planting

