

FORESTRY AND TIMBER: GROWING A RESILIENT SCOTLAND



Confor
Promoting forestry and wood

Introduction

Scotland's forestry and wood manufacturing sector creates jobs and drives investment into our rural communities. It also reduces our carbon footprint, helps protect vulnerable communities from flooding and provides valuable, attractive habitats for wildlife and recreation.

Forestry and timber contributes £1 billion annually to Scotland's economy. Wood processing businesses are investing more than £50 million of new money every year in Scotland and the success of the sector was illustrated in January 2016 when Norbord announced a new investment of close to £100m in its panelboard factory near Inverness. However, continued investment needs a constant supply of new timber; that means planting more trees, but at the moment Scotland is struggling to meet its planting targets.

In her speech to The World Forum on Natural Capital, at the EICC in Edinburgh in November 2015, First Minister Nicola Sturgeon said:

"Trees help to absorb carbon dioxide and store it as carbon. In recent years, Scotland has been responsible for almost three quarters of the UK's new tree planting. We have planted approximately 16 million trees every year. We are committed to increase planting rates even further so that we plant 100,000 hectares of trees in the decade to 2022. That would be equivalent to 200 million new trees – just under 40 for every person living in Scotland."

Confor welcomes Nicola Sturgeon's renewed commitment to Scotland's planting targets, which can underpin significant and wide-ranging benefits to Scotland for many decades to come.

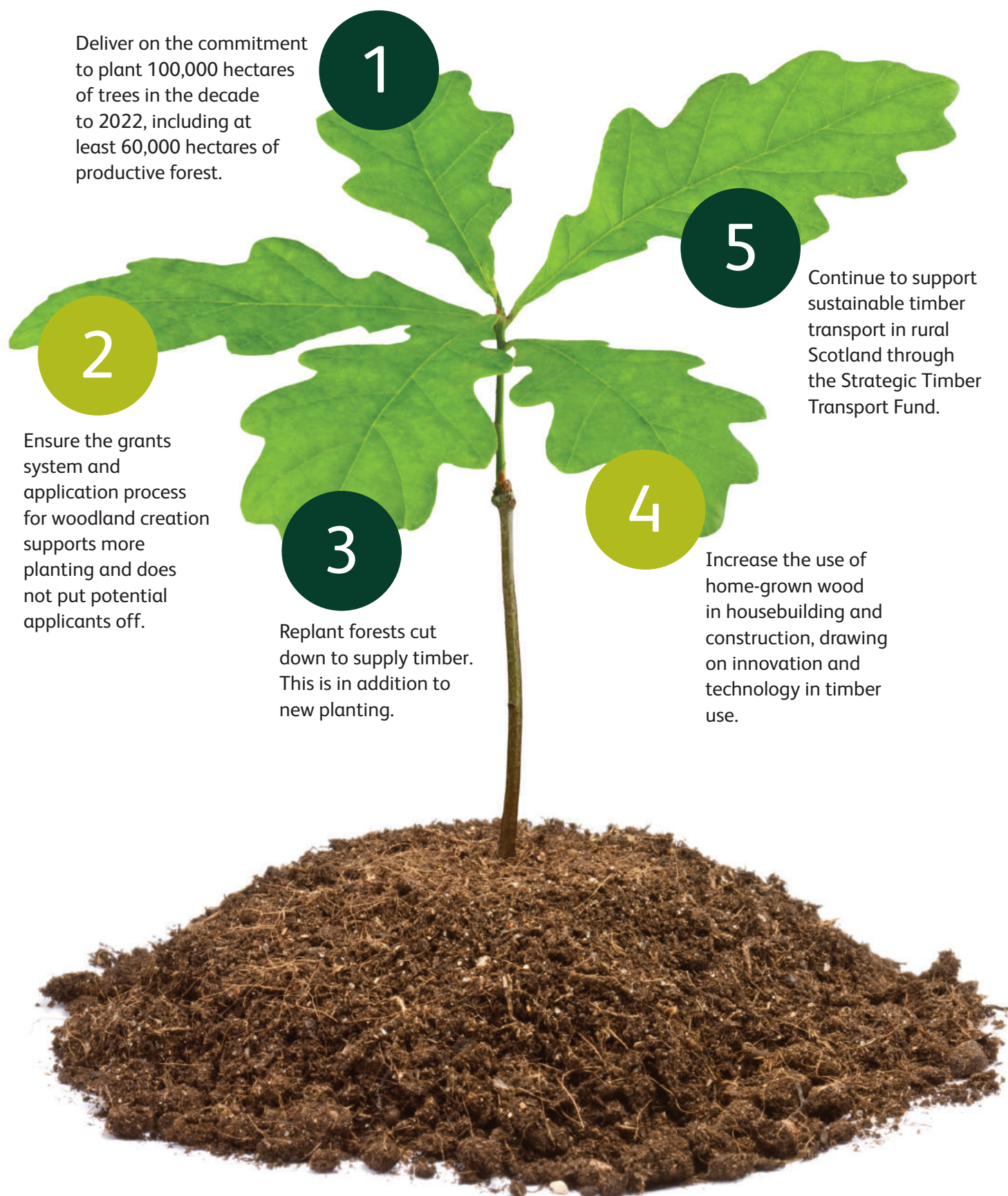
With this in mind, Confor is calling on the next Scottish Government to commit to maintaining the success of the £1 billion forestry and wood processing sector by meeting its planting targets - thus supporting the continued resilience of rural Scotland.



"We are committed to increase planting rates even further so that we plant 100,000 hectares of trees in the decade to 2022"

Nicola Sturgeon MSP, First Minister

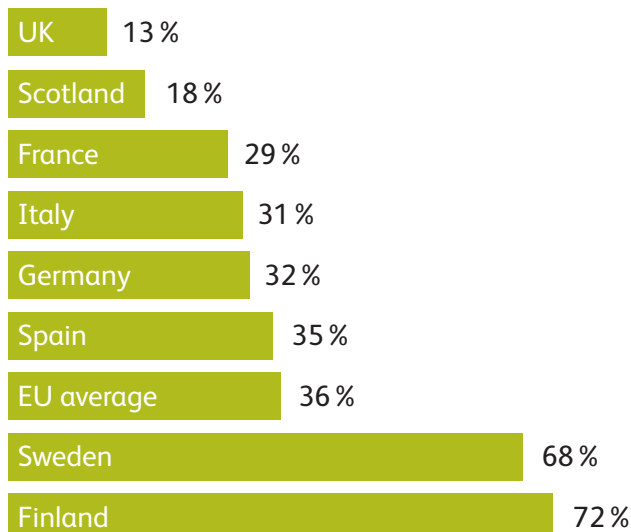
Confor's five-point forestry action plan



The context

Scotland has tree cover of around 18 per cent – above the UK average of around 13 per cent but far below the EU average of 36 per cent. To reap the economic, environmental and social benefits presented by forestry, Scotland needs to ensure it has a forestry planting process fit for the 21st century. This would make woodland creation a much simpler and quicker process, freed from inappropriate delays and based on an understanding of the benefits of modern forestry – enabling Scotland to meet its planting targets and opening up a wealth of new opportunities.

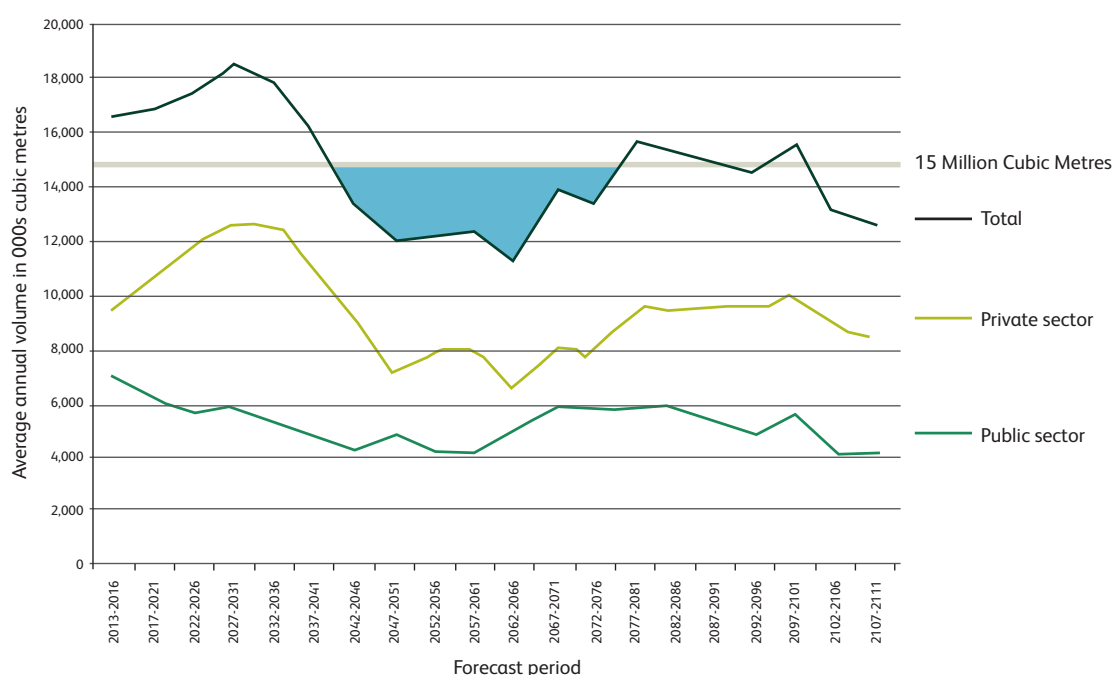
LAND COVERED BY FORESTRY



The Challenge: The Timber Gap

In May 2014 the Forestry Commission's 50-year UK timber availability forecast showed a healthy timber supply until the late 2030s – but then a sharp and potentially hugely damaging drop-off. Analysis by Confor suggests this could lead to the loss of over 1,000 jobs and a missed opportunity to cut over 55 million tonnes of carbon.

If Scottish Government delivers on targets for forest creation – 100,000 hectares in the decade to 2022, including a majority of productive softwood trees, this will go a long way to filling the UK timber gap – the blue shaded area below. This will give the sector confidence in long-term wood supply, securing and creating jobs and investment – and contributing significantly to meeting climate change targets.





The opportunities

JOBS AND GROWTH

Scotland is the cornerstone of the UK forestry sector. The latest Forestry Commission Scotland report – published in late 2015 – highlighted that the sector is worth almost £1 billion annually, and supports more than 25,000 full-time jobs.

Employment in forestry and timber rose by about 50 per cent during the economic downturn, and provides comparatively well-paid jobs in rural communities with few large employers. It has created a wide variety of new jobs across the supply chain, providing the bedrock of rural employment in areas like Dumfries & Galloway. Scotland has world-class sawmills and panel mills that are investing around £50 million of new money in Scotland every year. In early 2016, Norbord announced an investment of almost £100 million in its Inverness mill. If planting targets are met, businesses will have the confidence in future wood supply to continue investing.

CLIMATE CHANGE

Forestry is a crucial sector in delivering Scotland's climate change ambitions. Planting trees soaks up carbon and wood products lock up carbon – and require far less energy to manufacture. Using wood in

place of brick, steel and plastic reduces atmospheric carbon. Increased tree planting to create more wood products can contribute much more to meeting Scotland's world-leading climate change target – a 42 per cent cut on baseline emissions by 2020.

REDUCING FLOOD RISKS

Tree planting has an important role to play in a package of measures designed to reduce flood risk. Trees can slow the flow of water from the uplands to reduce the impact on downstream communities. Confor has outlined this in a discussion paper, published in February 2016, *Forestry and Flooding* (see back page).

BETTER LAND USE

Integrating new productive woodland and sheep farming makes economic and environmental sense for Scotland's uplands. A study of the Eskdalemuir area by independent consultants SAC demonstrates that forestry provides over three times the financial return of sheep. Trees also provide shelter for sheep, offering higher returns and help balance the carbon emissions from farming. Modern forests also increase biodiversity.

5

steps to deliver green economic growth

1 PLANT MORE PRODUCTIVE WOODLANDS

Scotland needs to meet The First Minister's pledge (see Page 2) to secure the future of a highly successful and growing sector and deliver a wide range of economic, environmental and social benefits. To ensure the target of 100,000 hectares of planting by 2022, Confor has calculated that 13,000 hectares of new forests now need to be planted every year to 2022 – including 8-9,000 hectares of productive forestry, with the balance made up of native woodland.

Action point: Commit to plant 13,000 hectares of productive woodland a year, including 8-9,000 hectares of productive woodland, as part of the pledge to plant 100,000 hectares of woodland in the decade to 2022.

2 IMPROVE THE FORESTRY APPLICATION SYSTEM

A straightforward, efficient application system is crucial to meeting new planting targets. However, an over-complex process and continuous churn of new systems is delaying and discouraging applications

Action point: Deliver further improvements to the Forestry Grant Scheme – and associated computer systems – to speed up the process of approval for new woodland creation applications and to ensure the Scottish Government hits its official targets.





3 STIMULATE MARKETS FOR WOOD AND TIMBER

Wood is by far the best building material for the environment. A tonne of brick requires more than four times the energy to produce than a tonne of sawn softwood. Concrete requires five times more energy than wood and steel 24 times more.

Wood's thermal insulation properties are 5 times better than concrete, 10 times better than brick and 350 times better than steel.

Action point: The Scottish Government should deploy a 'Wood Equal' policy in all public buildings projects (new build and refurbishment) where possible and advantageous to do so.

4 RESTOCK PUBLIC FORESTS

The Scottish Government manages 478,000 hectares of forest – one-third of the total forest area which supplies 57% of the timber production. This is a vital asset for Scotland and the forestry sector. Budgetary pressures are weighing down on restocking activity. It is vital that funds are available to protect the financial value of this key natural and national asset, and to help maintain growth and confidence in the forestry sector.

Action point: The Scottish Government should work with the Forestry Commission to ensure that the national forest estate is fully restocked in the lifetime of the next Parliament.

5 CONTINUE TO SUPPORT TIMBER TRANSPORT

Forests planted in the last century are often in remote areas, which timber lorries can struggle to access and where roads are in poor condition. Also, communities are often concerned about new traffic. The industry has worked well with the Government, local authorities and communities to identify agreed routes for lorries and invest in infrastructure, including finding alternatives to road transport.

The Government's Strategic Timber Transport Fund is key to making all this work.

Action point: The Scottish Government should continue to provide annual funding of around £3m to support investment in timber transport solutions.



Confor: promoting forests and wood is the leading trade body for the sector with almost 2000 members. Its head office is in George Street, Edinburgh.

Confor produces regular documents and video material to stimulate debate about the forestry and timber sector. This is a selection of its documents from 2016:

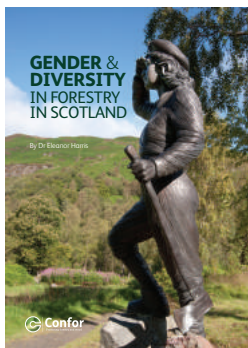


Our Forests, Our People

A video explaining how the sector works



Forestry and Flooding



Gender & Diversity in Forestry in Scotland

For more information: Call 0131 240 1410, email our Scotland Manager Jamie Farquhar on Jamie@confor.org.uk or go to our website www.confor.org.uk