

How Forestry Investment Zones can support and drive forward new planting in England

SUMMARY

Forestry and wood-processing is a low-carbon and environmentally positive industry. There is scope for carefully planned productive forestry to provide more well-paid jobs in rural areas, which, as the UK leaves the Common Agricultural Policy, will help support vibrant, green communities.

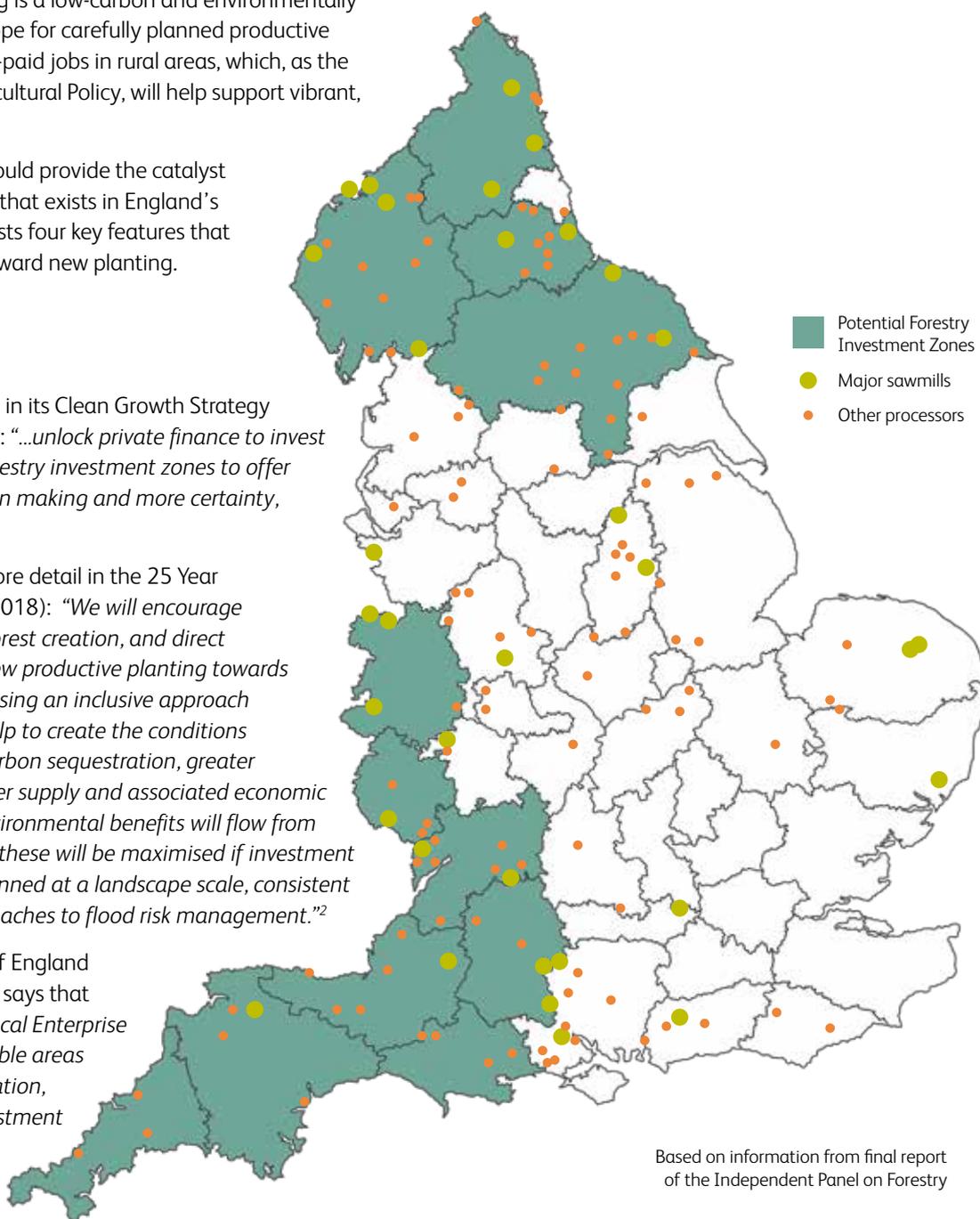
Forestry Investment Zones could provide the catalyst to unlock the huge potential that exists in England's rural areas. This paper suggests four key features that will ensure that F.I.Z. drive forward new planting.

BACKGROUND

The Government announced in its Clean Growth Strategy (October 2017) that it would: "...unlock private finance to invest in forestry by establishing forestry investment zones to offer investors streamlined decision making and more certainty, within shorter timelines."¹

This was followed up with more detail in the 25 Year Environment Plan (January 2018): "We will encourage larger-scale woodland and forest creation, and direct commercial investment in new productive planting towards Forestry Investment Zones, using an inclusive approach to their selection. This will help to create the conditions associated with increased carbon sequestration, greater confidence in domestic timber supply and associated economic benefits. A wide range of environmental benefits will flow from productive forestry planting: these will be maximised if investment zones are developed and planned at a landscape scale, consistent with catchment-based approaches to flood risk management."²

Cumbria is the only county of England specifically mentioned and it says that DEFRA will engage with "...Local Enterprise Partnerships to identify suitable areas for large scale woodland creation, and promoting Forestry Investment Zones to attract community, commercial and landowner investors."



Based on information from final report of the Independent Panel on Forestry

1. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/651916/BEIS_The_Clean_Growth_online_12.10.17.pdf (page 107)

2. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/673203/25-year-environment-plan.pdf (page 49)

How Forestry Investment Zones can support and drive forward new planting in England

WHY DOES ENGLAND NEED FORESTRY INVESTMENT ZONES?

UK is the second largest net importer of forest products in the world (after China)³ and this costs the economy more than £11 billion each year. The vast majority of the volume is softwood, something that the UK can grow very well.

In August 2016 the World Wide Fund for Nature (WWF) calculated that global demand for forest products will triple by 2050 and this could severely restrict supply for UK businesses⁴. Meanwhile English woodland creation is at a **46 year low**⁵.

Time is of the essence. The first F.I.Z. should be announced by July 2018 to allow for applications to be approved this year.

DELIVERING NEW PLANTING

As well as Cumbria, the Government should commit to early identification of Forestry Investment Zones in the following local authority areas:

- **Northumberland County Council;**
- **Durham County Council;**
- **North Yorkshire County Council;**
- **Shropshire (Unitary authority);**
- **Telford and Wrekin (Unitary authority);**
- **Herefordshire (Unitary authority);**
- **Gloucestershire County Council;**
- **South Gloucestershire (Unitary authority);**
- **Somerset County Council;**
- **Wiltshire (Unitary authority);**
- **Dorset County Council;**
- **Cornwall (Unitary authority);**
- **Devon County Council.**

These areas of England have been identified because there is already significant productive forestry planted and large areas of suitable land with sizeable timber processing facilities located in the vicinity.

WHAT FEATURES SHOULD FORESTRY INVESTMENTS ZONES HAVE?

The design of Forestry Investments Zones is crucial to their success. Landowners and managers are looking for confidence that woodland creation applications will be approved timeously; and for predictability, meaning the approved application will be financially viable.

CONFOR HAS IDENTIFIED THE FOLLOWING KEY FEATURES:

1. An easily understood traffic light system for identifying areas of land suitable (or not) for productive planting;
2. Grants for Woodland Creation plan preparation with a higher ceiling than currently for larger schemes.
3. An application processing agreement committing all government authorities to reach decisions on applications within 12 weeks;
4. A presumption that new productive planting which meets the UK Forestry Standard will be approved.

3. [https://www.forestry.gov.uk/pdf/FCFS217.pdf/\\$FILE/FCFS217.pdf](https://www.forestry.gov.uk/pdf/FCFS217.pdf/$FILE/FCFS217.pdf)

4. <http://blogs.wwf.org.uk/blog/habitats/forests/will-the-axe-fall-on-uk-businesses-when-it-comes-to-timber/>

5. <https://news.sky.com/story/calls-for-more-trees-as-planting-figures-hit-46-year-low-11131265>