

Written evidence submitted by Confor on the draft Environment (Principles and Governance) Bill

January 2019

Executive Summary

1. Confor:
 - Supports the broad aims of the Environment (Principles and Governance) Bill;
 - Welcomes the establishment of the new Office for Environmental Protection (OEP) to scrutinise environmental policy;
 - Agrees with the intention to create a clear set of environmental principles with an accompanying policy statement;
 - Considers the most beneficial policy for forestry and woodland in the bill is the intention to put the Government's 25 Year Environment Plan, including increased tree planting targets, on a statutory footing.
2. Putting the tree planting targets on a statutory basis, combined with ongoing monitoring and reporting by the new Office for Environmental Protection (OEP) and tackling barriers to tree planting, could mean afforestation targets now considered as 'aspirations' will actually be achieved, delivering significant associated environmental, economic and societal benefits.
3. Taken together, these measures could lead to a big increase in tree planting and afforestation in the UK. There are significant financial and non-financial barriers to overcome that are currently standing in the way of the UK achieving its tree planting targets that are summarised in this evidence. Confor believes increased partnership working between government agencies can help address these barriers.

About Confor

4. Confor: promoting forestry and wood (www.confor.org.uk) is the not-for-profit organisation for sustainable forestry and wood-using businesses in the UK. Confor has more than 1,500 member companies representing the whole forestry and wood supply chain.
5. Confor focuses on the strategic issues that are vital to the success and sustainable future of the sector. These include helping to build the market for wood and forest products, creating a supportive policy environment and helping members to become more competitive and successful.
6. Confor is committed to working with partners to take a strategic and collaborative approach to land use in the UK and to tackling problems which face us all, especially climate change.

Forestry in the UK

7. Only 13% of the land across the UK is afforested, and over recent decades, the rate of woodland expansion in the UK has declined significantly to the point where England and Wales are likely to be experiencing net deforestation.¹
8. There is widespread pressure, for both environmental and economic reasons,² to increase this area. A growing body of evidence, including several reports by the UK Government's official adviser, the Committee on Climate Change, shows that forestry and wood use can be a major contributor to making significant inroads into climate change mitigation targets.
9. Concerns about the future of forestry and reduction in tree cover contributed towards the Environment, Food and Rural Affairs Sub-Committee launching its *Forestry in England* inquiry that reported in March 2017³.
10. The Environment Bill provides an opportunity to ensure that many more trees are planted and to increase the amount of existing woodland under active management. It is only active management which can deliver the full range of benefits provided by forestry and wood.

25 Year Environment Plan

11. When the 25 Year Environment Plan (25YEP) was published in February 2018, Confor welcomed⁴ policies to:
 - Plant 180,000 hectares of new woodland in England by 2042 (equivalent to 7,500 hectares per year) (p.26 of the 25YEP) NB this is *in addition to* re-stocking woodland which has been harvested for timber or removed for alternative land uses.
 - Increase supplies and use of home-grown timber (p.27). This is a crucial long-term objective for Confor, to start addressing the fact that the UK is the world's second-largest importer of wood products, after China
 - Increase large-scale woodland creation through Forestry Investment Zones. (p.49) – *in progress*⁵
 - Acknowledge the carbon-storage potential of timber in construction (p.48)
 - Promote a Northern Forest (p48) – *in progress*⁶
 - Stimulate manufacture of new products eg cross-laminated timber (p.48)

¹ <https://www.independent.co.uk/environment/deforestation-england-forestry-commission-woodland-trust-environment-climate-change-a8399726.html>

² Including climate change, biodiversity, flood prevention, air quality improvement, water quality, soil erosion, public access and landscape quality.

³ <https://www.parliament.uk/business/committees/committees-a-z/commons-select/environment-food-and-rural-affairs-committee/news-parliament-2015/forestry-report-published-16-17/>

⁴ <http://www.confor.org.uk/media/246868/confor-response-to-25-year-environment-plan-inquiry-feb-2018.pdf>

⁵ <http://www.confor.org.uk/media/246926/forestry-investment-zones-lowres.pdf>;
<https://www.gov.uk/government/news/forgotten-lands-to-receive-forestry-boost>

⁶ <https://www.woodlandtrust.org.uk/blog/2018/01/new-northern-forest/>

- Introduce a Forest Carbon Guarantee scheme (p.48) – *in progress*⁷
 - Improve management of broadleaf forests for timber (p.49)
 - Design a new woodland grant scheme that encourages integration between farming and forestry (p.49) – *in progress*⁸
 - Appoint a Tree Champion (p.50) - *done*
 - Draw on the Mackinnon review of forestry in Scotland (p.50)
 - Publish a tree health resilience plan in 2018 (p.64) – *done*⁹
 - Support zero-deforestation supply chains globally (p.127)
12. As these bullet-points demonstrate, the government has already made progress on several 25YEP commitments. Confor considers that putting the 25YEP on a statutory footing should ensure all these commitments, including those that are more challenging and will need new policies or spending plans, will be achieved by the government. It will also help ensure the 25YEP runs its course beyond the current parliament. This is particularly important in forestry and wood processing due to the long-term nature of the industry and the comparatively long period for investor returns.
13. The Bill should give legislative stimulus to three activities which are at the heart of realising the full environmental potential of woodland in England: increased tree planting, bringing more woodlands under active management, and using more timber in construction. All these areas require further work to overcome existing barriers of policy, funding and culture.

Environmental regulation and payments for public goods

14. Confor welcomes the principle of ‘public money for public goods’, as outlined by the UK Government, and believes the industry delivers firmly on this principle.
15. It also supports the commitment to create an Office of Environmental Protection, to help create a level playing-field in regulatory standards across land uses.
16. Productive forestry already meets stringent social and environmental standards, both statutory and through the UK Forestry Standard which is implemented by the Forestry Commission through the woodland creation and felling license process. In addition, more than 70% of UK timber comes from forests which are independently certified via the UK Woodland Assurance Standard. This standard is the UK version of the internationally recognised FSC and PEFC forest management standards.

⁷ , “The Woodland Carbon Guarantee is due to open in summer 2019 and in the spring we will be asking for stakeholder input to help us create and implement the most effective scheme to really stimulate the woodland carbon market in the UK.” <https://www.gov.uk/government/publications/budget-2018-documents/budget-2018>

⁸ Confor are involved along with other stakeholders in the process of designing the new Environmental Land Management (ELM) system.

⁹ <https://www.gov.uk/government/publications/tree-health-resilience-strategy-2018/tree-health-resilience-strategy-our-goals>

17. The public goods delivered by the multi-purpose, mixed forestry created by these standards – carbon sequestration, clean water, reduced flooding, cleaner air, wildlife habitats and access for people – are delivered without public funding once the forest is established.
18. The delivery of this level of public benefit without cost to the public purse is exemplary amongst UK land use. We welcome the proposals to create a level playing field of high environmental standards, and the introduction of public money for public goods. It is essential that the principle of equal payment for the same public good is maintained across all land uses.

New tree planting

The scale of the challenge

19. Delivering new planting of 180,000 hectares by 2042 will require a step change in ambition and delivery:
 - 7,800 hectares/year – 25YEP target;
 - 6,500 hectares/year – highest area of planting achieved in a year in England since current records began in 1971;
 - 2,100 hectares/year – average planting in England over the past decade;
 - 1,100 hectares/year – area of planting required to meet the ‘11 million trees target’ set by this government;
 - 30 hectares/year – average planting destined to produce timber in England over the past decade.¹⁰
20. While ambitious, Confor consider the target is achievable:
 - 180,000 hectares is an increase of just over 1% in England’s present woodland area¹¹, or 0.01% of the whole of England
 - 10-30,000 hectares of new woodland were planted every year in Scotland until 2001
 - 10-12,000 hectares is expected to be planted in Scotland in 2018-19, thanks to changes in funding and administrative support from the Scottish Government¹²
21. There are significant financial and non-financial barriers to new woodland creation. Positive actions to overcome these barriers include:
 - An increase in human resources at the Forestry Commission to process planting applications more quickly.
 - Woodland Officers gaining and sharing experience of dealing with large productive planting applications. From the late 1980s onwards, large productive schemes tailed off for almost 30 years (meaning a new

¹⁰ Forestry Statistics, based on records of 400 hectares planted in the ‘conifer model’ 2009-2018, of which 75% is crop, 25% diversification.

¹¹ 1,307,000 hectares

¹² The Mackinnon review of forestry in Scotland

(<https://www2.gov.scot/Topics/farmingrural/Forestry/JimMackinnonreport>) published December 2016

generation of Woodland Officers were not equipped to deal with them) until the Lowther and Doddington schemes, approved in late 2017.

- A move away from the presumption NOT to plant trees to a presumption in favour of planting in appropriate areas, including ensuring that designations of specific areas [as protected habitat, for example] are up-to-date and that leaving the land alone is not contributing to the decline of the habitat.
- A recognition (in funding and approvals) of the environmental benefits and public goods delivered by forestry (including mitigating climate change), which are poorly weighted against potential hazards.
- Delivering sufficient funding to make woodland creation viable (approx. £4,500/hectare for conifer, higher for native woodland) to help meet UK Government planting targets.
- Compensating farmers appropriately if they choose to switch all or part of their land from subsidised agriculture to forestry.

22. Several of the policies in the 25YEP are designed to tackle these policy barriers, and a legislative basis should help give weight to their delivery.

What kind of new planting?

23. To avoid increasing the problem of unmanaged woodland (see below), and because of the value placed on timber in construction given in the plan, the focus of new planting should be on timber-producing woodland with a management plan.

24. This may include productive broadleaf woodland as well as conifer, although government should recognise that the long timescales (120 years in the case of oak), and the significant management challenges (particularly grey squirrel and deer control) have a substantial impact on the economics of hardwood production. This is not to say that it should not be explored and promoted, particularly where there are landowners who have time and money to invest in woodland 'for the love'. The environmental, and for future generations economic, returns on hardwood investment are high.

25. However, the majority of the new woodland should be conifer. With fewer management challenges, faster economic returns, greater carbon sequestration, and the ability to produce a standardised sawlog suitable for large sawmills and capable of being transformed into everything from housing to clothing, conifer will form the bread-and-butter of a land use that contributes to environmental and economic objectives simultaneously. For the past 20 years, adoption of the UK Forestry Standard (UKFS) means all new productive conifer forests have included 25% of their area managed for biodiversity, with at least 5% native broadleaf woodland, 10% open space, and 10% diverse conifer species.

Woodland management

26. The old saying 'The wood that pays is the wood that stays' cuts to the heart of forest management.
27. Productive woodland is usually managed by a professional forester, with a budget based on timber sales and certified to independent standards. Woodland created without a viable business plan is often neglected as funds or time have to be found for its management.
28. Two independent certification standards, *Grown in Britain* for hardwood firewood and timber, and *Woodsure* for high-quality home-grown firewood, provide an essential resource both for accreditation and for expertise in bringing woodlands into better management. Working with these organisations will help the UK government to promote woodland management as cost-effective.
29. Encouraging the production of quality firewood is essential for bringing a neglected woodland into management. Woods can be thinned for firewood, enabling the best trees to be grown on for timber. However, recent experience has shown that firewood policies which have the desired effect of bringing neglected woodland into management require careful design:
 - A general rise in the popularity of log burners results in a rise in imported firewood, which has significant plant health risks;
 - An unregulated 'foraging' approach to firewood results in poor woodland management and low-quality wood, with associated air pollution issues;
 - The incentivisation of biomass fuel at a larger scale can lead to quality timber (which should be used for long-term uses such as construction or panel board) being burnt and its carbon storage potential lost.

Timber in construction

30. An increase in the use of UK timber in construction depends on two factors: the total amount of timber available to harvest, and the proportion of timber used for construction as opposed to other uses such as fencing, packaging and biomass fuel (paper is no longer a significant use of UK timber).
31. At present, the UK is reaping the benefit of the high levels of tree planting in the 1970s and 80s, but faces a dip in production due to the low levels of planting in subsequent decades. There has been an increase in 'short rotation forestry' (where woodland delivers income more quickly), but trees planted now will not typically supply chip (from thinnings) for about 20 years and sawn timber (from harvest) for around 35 years. Therefore, it is essential that policies are put in place to utilise timber as wisely as possible to ensure the environmental and economic benefits are maximised. Work to be done in this regard would include:
 - Calculate how much UK softwood timber is used for biomass (not currently measured) and consider if this could be used instead in construction. This work is being undertaken by Confor.

- Consider how much timber would be required to supply a UK cross-laminated timber (CLT) plant, where the material would be sourced, and the timescale of its potential development.
- Consider whether promoting more traditional timber-frame building, which can provide far larger numbers of energy efficient homes from the same amount of timber, would be a wiser use of the scarce UK timber resource than the carbon-capturing but timber-hungry technology of CLT.

Conclusion

32. Confor is a strong supporter of the plan to put the Government's 25 Year Environment Plan (including increased tree planting targets) on a statutory footing. It believes this could lead to a big increase in tree planting and afforestation in the UK, which would deliver very significant environmental benefits, especially in terms of climate change mitigation.
33. There are a number of barriers in place to achieving this but Confor hopes the Environment Bill can be a catalyst for positive change to overcome these barriers and to deliver environmental, economic and societal benefits through increased tree planting and greater use of timber.