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Promoting forestry and wood

CROSS-GOVERNMENT POLICY BRIEF

TIMBER: AN ISSUE OF NATIONAL SECURITY AND ECONOMIC RESILIENCE

Prepared by
THE CONFEDERATION OF FOREST INDUSTRIES (UK) LTD

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REGISTERED IN SCOTLAND NO. SC34467

Executive Summary: A Structural Strategic Vulnerability

Timber is not just an environmental or rural policy issue. It is a strategic material underpinning housing delivery, infrastructure, energy transition and economic resilience. **The UK's current 80% timber import dependency creates systemic exposure across multiple government priorities. It is an issue of National Security.**

This brief makes the case that greater domestic timber security is a matter of national security and economic resilience. It calls on the UK Government to provide clear leadership and coordinated action to increase the production of timber from UK forests and strengthen the UK's productive forestry and wood supply chain to increase the utilisation of homegrown wood as a strategic national asset.

By embedding timber within national security, industrial strategy, and supply chain resilience planning, Government can reduce import dependence, protect critical infrastructure delivery, and secure the sovereign capability needed to meet growing demands for housing, construction, and combatting climate change. Early, decisive action will strengthen domestic industry, support rural economies, and ensure the UK is less exposed to future global shocks.

National security is no longer defined solely by military capability. It includes a country's ability to maintain essential supplies, infrastructure, and economic stability in the face of disruption: whether from geopolitical tensions, global market shocks, pandemics, or environmental pressures. Secure access to critical resources such as food, energy, and materials, including timber is therefore a core component of national security.

Economic and supply chain resilience underpin this. Countries with strong domestic timber production and processing capacity are better able to manage crises, control costs, and maintain delivery of housing, infrastructure, and public services. High import dependency increases exposure to external decisions, price volatility, and international competition for limited resources.

Recent shocks have demonstrated that resilience depends on sovereign capability, e.g. the ability to produce and process essential materials at home. Timber sits firmly within this category. As a foundational material for construction, infrastructure, and the low-carbon economy, secure domestic timber supply is directly linked to national resilience.

In this context, timber security should be understood alongside food and energy security: a strategic national capability, not just a rural or environmental issue.

Government Recommendations & Actions

1 Formal inclusion of timber supply metrics within the National Security Risk Assessment

- Treating timber as a strategic material within supply chain resilience frameworks.
- Monitoring import dependency (currently at over 80 %), current and future domestic productive capacity and processing resilience, including monitoring the extent of the UK's forest resource.
- Assessing exposure to geopolitical disruption in key exporting markets.
- Integrating timber risk analysis into future National Security Strategy updates.

2 Establish a cross-government Timber Security Taskforce reporting to the Cabinet Office

- Cabinet Office oversight with defined departmental representation from Defra, HM Treasury, MHCLG, DESNZ and DBT.
- A coordinated national plan to to expand the forest resource and grow, process and utilise more homegrown timber.
- Clear accountability for delivery milestones.
- Annual reporting to Parliament on progress.

3 Provide Treasury-backed 20-year certainty on productive woodland incentives

- Long-term funding settlements that match forestry investment horizons.
- Stable grant frameworks prioritising productive planting and resilience.
- Clear policy signals to unlock private capital and institutional investment.
- Protection against short-term budget cycles undermining planting decisions.

4 Recognise wood processing within the Industrial Strategy as strategic manufacturing

- Formal designation of sawmilling, wood panels and engineered timber production as strategic sector.
- Access to capital support and productivity funding.
- Alignment with housing and infrastructure demand projections.
- Support for innovation in structural timber and low-carbon construction systems.

5 Commit to annual public reporting on timber import dependency and domestic capacity

- Publishing national statistics on import reliance, woodland productivity and processing output.
- Tracking progress in substituting imports with homegrown material.
- Measuring timber's contribution to housing delivery and climate change goals.
- Transparent benchmarking against international competitors.

This strategic vulnerability requires clear government leadership, coordinated policy, and accountable delivery. The following actions are recommended:

Action #1 Provide National Leadership and Ownership

- Recognise timber security within national security, industrial strategy, and supply chain resilience frameworks.
- Designate forestry and wood processing as strategic sectors with Cabinet Office oversight.
- Establish ministerial ownership led by Defra or DBT with cross-government coordination.
- Work with devolved governments to deliver UK-wide progress.

Action #2 Accelerate Domestic Timber Production

- Prioritise productive woodland creation and protect the existing resource.
- Provide long-term funding certainty aligned with forestry investment cycles.
- Incentivise active management of under-managed woodlands.

Action #3 Strengthen Processing Capacity and Markets

- Expand public procurement of homegrown timber.
- Align standards to enable greater use of UK timber in construction and infrastructure.
- Support investment in domestic processing and engineered timber capacity.

Action #4 Enable Reuse and Resource Efficiency

- Embed circular economy principles in construction and procurement.
- Promote reuse and recycling of timber products.
- Reduce waste and import dependence across the supply chain.

Progress should be reported annually on reducing import dependency (currently over 80 %), increasing homegrown timber use, improving recycling rates, and strengthening supply chain resilience.

Forestry operates on multi-decade timescales; decisions taken now will shape UK timber supply for the next half-century. Continued reliance on imports exposes housing, infrastructure and climate change goals to geopolitical shocks and price volatility. A housing strategy dependent on imported structural timber is not resilient. Strengthening domestic forestry and processing capacity is therefore strategic risk management for the UK economy, comparable to food and energy security.

Case for Action: Timber Security and National Resilience

The UK imports over 80 % of its timber and wood products. Timber is a foundational material for the UK economy. It underpins:

housing & construction | **critical infrastructure** | **packaging & logistics** | **energy & decarbonisation** | **defence & the public estate** | **rural employment & regional growth**

This level of dependency exposes the country to geopolitical shocks, trade disruption, price volatility, and constrained supply. At the same time, productive forest area in England is declining and productive woodland creation across the UK is falling short of targets.

The UK has traditionally relied on timber imports from stable partner countries in Europe, but global conditions are changing. Demand for wood is rising rapidly worldwide, driven by construction, population growth, and the shift to low-carbon materials. At the same time, many traditional exporting nations are facing resource constraints from climate impacts, pests, environmental policies, and stronger domestic demand, reducing the volume available for export.

The only major untapped global forest resource is in Russia - a supply the UK cannot rely on for geopolitical reasons. Meanwhile, countries such as China have spent decades expanding their own forest resource to increase self-reliance and reduce strategic exposure.

In this context, continued UK import dependence over 80 % represents a growing vulnerability. As global competition for timber intensifies, nations with domestic supply will have greater security, stability, and control over costs.

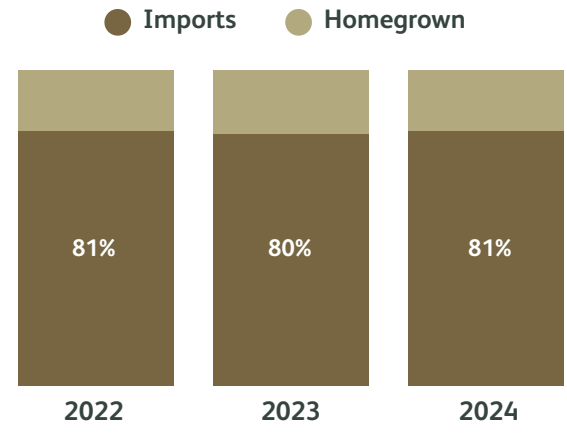

Fig 1: Where does our wood come from? Imported volumes of apparent wood consumption in the UK. (Forest Research, 2025)

Without intervention, the UK faces:

- ongoing and increasing strategic vulnerability in supply chains
- delays to housing and infrastructure delivery
- increased public costs
- reduced domestic processing capability
- struggle to meet climate change goals

As with food and energy, secure domestic timber production is essential to national resilience. Timber and an expanding productive forest resource should therefore be treated as strategic national infrastructure, not solely as an environmental or land-use issue.

During the COVID-19 pandemic, forestry, timber processing, and associated supply chains were formally recognised by Government as essential sectors and continued operating throughout lockdowns. This reflected the critical role timber plays in construction, packaging, infrastructure, and the wider economy. The period also exposed the fragility of international supply chains, with material shortages and price volatility affecting construction delivery. The UK was better able to withstand disruption because domestic forestry and processing capacity remained operational, demonstrating the importance of maintaining sovereign production capability for essential materials.

Action on timber security aligns directly with existing government priorities, including:

Government already recognises the importance of timber through its Timber in Construction Roadmap, woodland creation commitments, and climate change policy. What is now required is a clear recognition of its role in national security followed by urgent action to increase the production of UK timber and its use in key markets.

Case Studies

COVID-19: Domestic Capacity Protected Infrastructure, Logistics and Construction

During the COVID-19 pandemic, UK forestry and wood processing companies such as BSW Group, Glennons Brothers, James Jones & Sons, and West Fraser continued operating after being designated essential sectors by Government.

The UK forestry and wood processing sector supports over 90,000 jobs across the supply chain and contributes £3 billion annually to the UK economy. Maintaining operations protected employment while ensuring continued supply into construction, packaging and infrastructure markets.

Timber pallets transport goods, including food and pharmaceuticals, and wood fibre is used for essential packaging. OSB was used to build the Nightingale Hospitals.

At the same time, global supply chains were severely disrupted. Timber prices increased dramatically across Europe, with structural timber costs in some markets rising by more than 60 % within a year, causing project delays and cost escalation in UK construction.

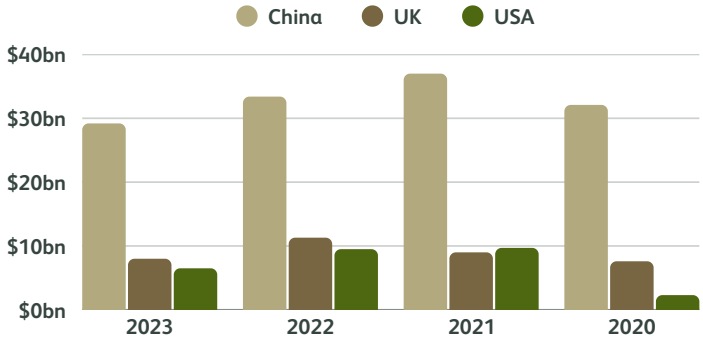

Fig 2: Where is the demand coming from? Top global wood product importers by value. (Forest Research, 2022-2025)

Domestic production provided a stabilising buffer. The lesson is clear: the system only held because domestic capacity existed. Without sovereign production capability, disruption to housing delivery and infrastructure would have been significantly worse.

Strategic Processing Infrastructure: Rural Industry and National Supply

The UK forestry and timber sector contributes £3 billion annually to the economy and supports over 90,000 jobs across the supply chain, spanning woodland creation, management, harvesting, haulage, sawmilling, panel production and downstream manufacturing. At the core of this system sit the UK's around 180 sawmills and primary wood processing facilities, which convert homegrown timber into materials essential for construction, infrastructure, packaging

and manufacturing.

Major industrial sites demonstrate both the economic scale and regional importance of the sector. Egger employs around 450 people at its Northumberland manufacturing facility, producing wood-based panels used across UK construction and furniture markets. Binderholz's investment in Scotland, following acquisition of the former BSW site at Inverness, supports hundreds of direct jobs alongside extensive forestry, haulage and contractor networks. Companies such as BSW Group, Glennons and James Jones & Sons operate multiple sawmills across the UK, forming the backbone of domestic structural timber supply into housing and infrastructure markets.

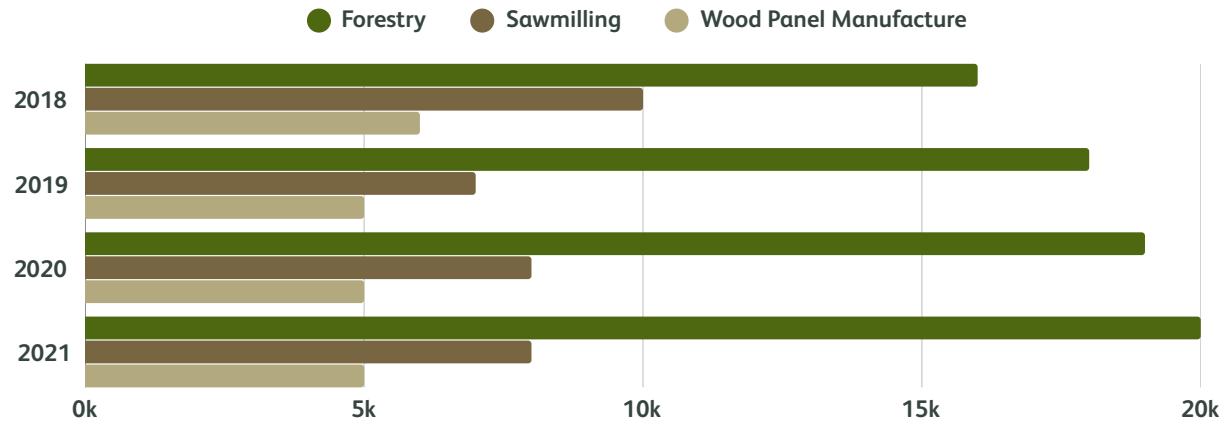

Fig 3: Where are jobs being created? Estimated employment in key supply chain areas. (Forest Research, 2025)

These facilities are typically located in rural regions where alternative high-value manufacturing employment is limited. Each processing job supports additional roles in harvesting, haulage, nurseries, engineering services, equipment supply and downstream construction manufacturing, creating significant local economic multipliers.

Processing plants convert domestic timber into construction materials that feed directly into housing delivery, infrastructure programmes and manufacturing supply chains. If domestic timber supply declines, these facilities become commercially vulnerable, risking job losses, reduced industrial capacity and increased reliance on imports.

Timber processing is therefore not simply a rural industry, it is strategic manufacturing infrastructure worth billions to the UK economy, anchored in around 180 mills, and directly linked to national supply resilience. Sustaining and expanding domestic timber supply is essential to protecting this industrial base.

Global Competition: Nations Are Investing to Secure Timber Supply

Global demand for wood fibre is projected to rise significantly as construction shifts toward low-carbon materials. Countries such as China have invested heavily in plantation forestry over the past three decades to improve supply security, while Nordic nations maintain strong domestic forestry sectors supporting major export industries.

In contrast, the UK imports over 80 % of its timber, one of the highest dependency levels in the developed world. Meanwhile, traditional exporting countries face resource constraints from climate impacts, pests, environmental policies and rising domestic demand.

The largest remaining untapped forest resource lies in Russia, a supply source the UK cannot rely on for geopolitical reasons. Canada has historically been a source of timber, but it has experienced widespread loss of forests to beetle damage.

As global competition intensifies, nations with domestic production will have greater control over supply, costs and industrial stability. The UK's current trajectory risks increasing exposure rather than reducing it.

Timber Construction: Economic Opportunity Constrained by Supply

Timber construction supports housing delivery, manufacturing productivity and Net Zero targets. UK-grown timber from companies such as James Jones & Sons and BSW Timber already contributes to structural applications, fencing, packaging and offsite construction.

However, much structural timber used in UK housing continues to be imported due to scale limitations in domestic production.

The construction sector represents a major economic multiplier. Expanding domestic timber supply will ensure:

- increased UK manufacturing output
- improved housing delivery capacity
- reduced material import costs
- rural employment growth
- progress toward Net Zero targets

The strategic conclusion is clear: a housing delivery strategy that relies on imported structural timber is not a resilient housing strategy.

Expanding productive forestry and processing capacity strengthens supply chains, supports

jobs, and reduces long-term economic vulnerability.

References

Figure 1: **Where does our wood come from?**
Imported volumes of apparent wood consumption in the UK.

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Figure 2: **Where is the demand coming from?**
Top global wood product importers by value.

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Figure 3: **Where are jobs being created?**
Estimated employment across the supply chain.

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About Confor

Confor is the champion for the UK's forestry and wood using industries - promoting sustainable forest management, increased tree planting, and the use of more wood in construction.

Through our membership, we represent the entire homegrown timber supply chain, from tree nurseries and forest owners to wood processors and manufacturers.

Confor works closely with policymakers across the UK to shape legislation and promote economic growth while addressing skills shortages in our sector. We have positive working relationships with environmental organisations, forestry agencies and others with a shared interest in helping our forests and woodlands grow sustainably.

www.confor.org.uk