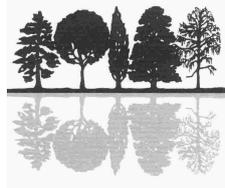


# Irish Timber Growers Association

17 Castle Street, Dalkey, Co. Dublin. Tel: (01) 2350520 Fax: (01) 2350416



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## **Irish Timber Growers Association submission on forestry support schemes**

The Irish Timber Growers Association (ITGA) was established in 1977 and is the national representative body of private woodland owners in Ireland. The membership of the Association mirrors the wide range of different timber growers in the country and current membership includes farm forest owners, forestry co-operative members, private woodland estates, forestry investors and forestry pension funds. This wide range of membership allows the Association take a broad view of the industry and issues facing the sector.

The Association welcomes the opportunity to make this submission in relation to forestry support schemes.

The private forestry sector is set to make a significant contribution to the rural economy and employment, particularly given the substantial growth in the volume of timber forecast to come from growers with the potential economic benefits of this to the State. The recent COFORD All-Ireland Roundwood Production Forecast 2011 to 2028 illustrates the increasing production potential from Irish forests which will almost double to 7 million cubic metres, from the current 3.79 million.

Given recent developments and with the imminent requirement for thinning of private woodlands now approaching first thinning stage, the Association would like to stress the importance of the supporting measures for growers including the Forest Roads Scheme and the Thinning and Tending of Broadleaves Scheme.

The return on the State's investment from private forests will be secured where woodland owners undertake such operations as roading, thinning and related forestry works. Infrastructural initiatives which ensure forest products get to market are therefore particularly important at this stage in the development of the sector. Given the current shortage of roundwood supply, the forecast significant shortfall of supply over predicted demand and the resultant need to promote the thinning of private forests, the Irish Timber Growers Association are calling for the re-opening of the Forest Roding Grant Scheme and the Thinning and Tending Scheme. This will allow the sector to deliver on its potential. Further suspension of these schemes will lead to the postponement of decisions to construct forest roads and also the postponement of thinning operations.

The following points are made in relation to the need to continue both the Forest Roads Scheme and the Thinning and Tending of Broadleaves Scheme at existing grant and funding levels:

The Review of the Forest Road Scheme showed that the scheme is justified in terms of deliverables, value for money and is necessary to the wider forestry and forest products industry.

Security of supply of raw material for the timber processing industry and the emerging biomass industry is vital to support employment and ensure the sector develops to maximise the return from the existing private forestry investment.

The proposal to limit cumulative payments to any one applicant to €1 million since 2007 would militate against both the scheme and growers achieving economies of scale in forest roading and harvesting. Collective ownerships such as co-operatives and forestry pension funds optimise the return on grant funding by bringing many owners together with resultant improvement in economies of scale. In many cases, either from a forest ownership or management perspective, it may be impractical and uneconomic for individuals to own forests or manage forests on an individual basis and limiting the funding in the proposed manner discriminates against collective groups such as co-operatives, producer groups and forestry pension funds. The policy of the Department of Agriculture, Food and the Marine of encouraging co-operatives and producer groups where such funding limits are applied has to be questioned. Ultimately, this proposed treatment of collective ownerships or groups as a single applicant is at odds with the approach advocated by the Forest Service of the Department of Agriculture, Food and the Marine to encourage owners to share resources to get the most out of their woodlands.

Ultimately, the most compelling argument for retaining the current Forest Road Scheme is made by the Minister of State for Forestry in the Foreword to the recent COFORD All-Ireland Roundwood Production Forecast 2011 to 2028 published by the Department of Agriculture, Food and the Marine. To quote the then Minister of State for Forestry in his Foreword dated February 2011;

'In essence the report shows that over the period to 2028 the production capacity of Ireland's forests will almost double to 7 million cubic metres, from the current 3.79 million. Almost all of the increase in supply is set to come from privately-owned forests in the Republic - those areas established over the past 25 years on foot of state/EU and private sector investment. Considerable scope exists to expand wood energy production, and this is in addition to supplies for sawmilling and board manufacture.

Making the potential in this report a reality will require significant investment by the forest industry and the state'

COFORD All-Ireland Roundwood Production Forecast 2011 to 2028  
published by the Department of Agriculture, Food and the Marine