



**Address by IFA President Tim Cullinan
to the Joint Oireachtas Committee on Agriculture, Food and the Marine
Tuesday 20th October 2020**

Challenges Facing the Forestry Sector, Licensing Issues and Ash Dieback

Chairman and Committee Members,

Thank you for inviting IFA to address you here today. I am joined virtually by the Chair of IFA's Farm Forestry Committee Vincent Nally and Charles Doherty Vice Chair and here with me is Geraldine O'Sullivan, Senior Policy Executive for Environment & Forestry.

Before I present the challenges facing the farm forest sector, I think it would be useful to give a brief overview of farmers' involvement in the sector.

Farm forestry

Farmers started to plant their land in the mid-1980's. Following the introduction of improved grants and premiums in the early 1990's, they became the driving force of the afforestation programme. Farmer planting peaked in 1995 at over 17,000 hectares. This year, farmer planting is expected to be less than 1,500 hectares.

To date, almost 20,000 or 15% of farmers have diversified into forestry. They manage nearly 270,000 hectares of grant-aided forest land, with an average forest size of 8 hectares. The private forest estate, which is predominantly owned by farmers accounts for 50% of the national forest estate.

Many of these forests have recently entered into the management stage with wood production expected to increase rapidly in the coming years as they reach maturity.

Wood production forecasts expect volumes to grow from 3 million m³ in 2018 to nearly 8 million m³ by 2035, with almost all of the increased volume to come from farm forests.

The importance of modern forestry and wood production in sequestering carbon and tackling the climate emergency is well known. Wood production sequesters carbon, provides the raw material for green jobs and low-carbon manufacturing, and reduces the reliance on imported timber which may be harvested unsustainably from natural forests.

Barriers to Woodland Creation & Management

Yet despite the many benefits of our indigenous forest industry, multiple barriers to woodland creation and management exist, resulting in missed opportunities to increase forest cover and to develop the potential in the bioeconomy.

If we are to seize the opportunities offered by forestry, it is inherent to understand the reasons for the decline in farmer planting.

The Mackinnon Review¹ highlighted that farmers' confidence and optimism towards forestry has waned in recent years due to cumulative policy decisions such as:

- The cut in forestry premiums and the removal of the farmer premium differential;
- the unwarranted retrospective recoupment of payments from farmers, in some instances back 20 years on applications that had been approved by the Department;
- the introduction of arbitrary restrictions on land types suitable for forestry;
- the indecision and lack of adequate supports for forest owners affected by ash dieback, and
- excessive bureaucracy that has stifled development and made the cost of establishing or managing forests at farm scale prohibitive.

The consequence is that farmers no longer view forestry as a safe investment, they feel increasingly like powerless spectators in the management of their own forests, locked into forestry under the replanting obligation without recourse.

¹<https://www.agriculture.gov.ie/media/migration/publications/2019/ReviewApprovalProcessesforAfforestationIrelandMackinnonNovember2019291119.pdf>

Forest licence system

There are over a thousand farmers who planted their land in good faith that are caught up in the current forestry licence crisis, unable to get a licence to manage their forest.

They are facing delays of up to 2 years and in some instances significantly longer to get the licences required to build a forest road and to thin their forest.

The sustainable and timely management of forests is essential to optimise timber production and the economic return, but also to maximise the ecosystem services and social benefits of these forests.

It is now a prerequisite to submit a Natura Impact Statement (NIS) with your licence application if you wish to get a decision within a reasonable timeframe. The majority of farm forests cannot support the cost of a NIS and are being disadvantaged and discouraged from managing their forests.

In addition, the Department has introduced a two-tiered system where larger applications are dealt with as a priority, this actively discriminates against farmers with smaller forests on their farms.

These policies are unacceptable to the IFA and disproportionately affect farm forests that cannot justify the costs associated with planting and managing forests. If the system is not made more farmer friendly, the proposals set out in the Programme for Government² and the afforestation targets in the Climate Action Plan³ will not be achieved.

There are nearly 2,500 forest licences caught up in the internal Department of Agriculture, Food and Marine forest licence system and the delays are having a greater impact on farmers, as they typically apply when they need a licence, the delays are forcing many into a non-thin policy.

IFA has a number of proposals that it would like to see introduced as a matter of urgency, and with the same determination shown by this Government and Minister Hackett, which saw recent forestry legislation⁴ enable the Forestry Appeals Committee to function properly.

² *Our Shared Future* – June 2020

³ https://www.dccae.gov.ie/en-ie/climate-action/publications/Documents/16/Climate_Action_Plan_2019.pdf

⁴ Forestry (Miscellaneous Provisions) Act 2020

1. Firstly, that the forest licence system ensures that no farmer has to wait longer than **4 months for a forestry licence as set out in the Forestry Act 2014 and the Farmer Charter**.
2. There is a **review of the Appropriate Assessment (AA) screening process, associated rules and thresholds**, so that:
 - The AA screening is cost free to the farmer, whereby the Department screen proposed project to determine its impact on Natura sites and if a NIS is required.
 - A threshold is introduced similar to those applied in agriculture where only proposed forestry projects above 15 hectares would be screened in.
 - The 15 km radius 'likely zone of impact' employed by the Department is re-assessed and that the radius employed is tailored to the size and nature of the application.
3. **Introduction of a cost-based planning support grant for forest owners** to assist with increased costs and requirements associated with applying for a felling and afforestation licence.
4. **That the Forestry Act 2014 is amended to introduce new exemptions for activities, such as forest road construction and thinning operations**, that are considered good management practices.

The timber shortages resulting from the forest licence backlog is threatening the industry, an industry that in normal time exports approximately €1 billion worth of timber each year.

It is jeopardising jobs and businesses that have been built up over the last 40 years to support the expansion of the private forest sector.

It is also forcing sawmillers to import timber when we are actually self-sufficient, which is unnecessarily endangering the health of the national forest estate through the potential introduction of pests and disease.

The need for action on these proposals cannot be understated.

Ash Dieback

The risk posed by the increased importation of timber to the health of the national estate is a serious concern for forest owners, considering the scale of the infestation in Europe of bark beetle.

Farmers have seen first-hand experience of the devastation caused by ash dieback to the survival, growth and wood quality of ash trees, and therefore the devastating consequence to the commercial value of their timber crop.

The Reconstitution and Underplanting Scheme (RUS) is wholly inadequate to compensation forest owners for the financial loss incurred by the disease. The scheme does not include any market valuation or income support measures.

Farmers whose livelihoods have been impacted by disease in other agricultural commodities receive income support. Farmers with forestry must to be treated in a similar manner.

There is no scientific evidence that thinning infected plantations is beneficial in the long-term when ash dieback is present. Where dieback is severe, research suggests that the best approach is to harvest the remaining commercial timber before value depreciation and to replant the area with other tree species.

The current scheme is forcing farmers to manage a dying crop, to invest money into a crop that will yield a very limited return, if any. It is a ludicrous situation and a clear sign of the disconnect between Government policy and forest owners.

Not to mention the huge health and safety risk to forest owners and operators working in these forests. This has not been fully considered by the Department.

The Programme for Government is focused on increasing the level of planting on farms particularly the planting of broadleaves to create wildlife corridors and increase biodiversity within our forest estate. If the Government is committed to these proposals forest owners whose ash forests are being devastated by the disease must be supported.

IFA proposes the following measures are introduced to ensure that farmers affected by the disease are appropriately supported to manage infected plantations:

- All infected plantations (both grant aided and non-grant aided) must be eligible for a 100% reconstitution grant to support forest owners to clearfell and replant with tree species that satisfy their management objectives.

- Forest premiums must be paid on replanted land for 15 years according to GPC⁵ rates established.
- The option not to replant, without penalties, must also be available under certain circumstances.

The farming community is watching to see if the Government redresses the supports offered. It will be instrumental in restoring confidence in forestry as a land use option.

Conclusion

IFA welcomes the proposal in the Programme for Government to re-introduce the farmer premium differential.

This will be hugely important to address some of the opposition to forestry, and will ensure that the full economic impact of forestry is local, contributing to employment and sustaining rural communities.

A whole Government approach is needed to develop a farmer friendly system that actively supports and encourages farmers to manage their forests. Then and only then will we see farmers reengage with forestry at a level required to meet our climate change targets.

Thank you.

⁵ Grant and Premium Categories