

Joint Oireachtas Committee on Agriculture, Food and the Marine

Opening Statement by Coillte Chair Designate Vivienne Jupp

17th April 2024

Good evening Chair, Deputies and Senators.

I am pleased to appear before the Committee in my role as Chair Designate of Coillte. As I am sure you will appreciate, since my announcement as Chair Designate, I haven't had much time to acquaint myself fully with the business and operations of Coillte. That said, I will deal as best I can with your questions. Importantly for me, at this juncture, I very much look forward to hearing the views of the members of the Committee. I know that you are very attuned to the views of our various stakeholders, so your feedback is important.

When I was assessing this position, I was conscious of the critical role Coillte has to play in Ireland achieving its climate action targets. With each year that passes, it is becoming increasingly apparent as to just how challenging these targets are, and the urgent need to make more progress. In this regard, I was very impressed by the transformational journey which the organisation has been on in recent years. I am also impressed by Coillte's strategic vision for its future forest estate. It is clear to me that Coillte plays a very important role in balancing and delivering the multiple benefits of forestry, not just in the commercial sphere but also in relation to climate, biodiversity and recreation. I look forward to working with the Board and management, and indeed all of our key stakeholders to ensure that Coillte continues to deliver for our shareholders and for society. Before elaborating further on this, I wish to provide members with some detail on my background to-date.

I was a senior executive with Accenture, a global management consultancy firm for a considerable period. In addition to this private sector experience, I have gained extensive experience of the State sector where I was Chair of CIE. I am currently a Board Director of Fáilte Ireland and Chair of Premier Lotteries Ireland.

I believe that the commercial Semi-State sector performs a very important role in our economy, and in society, and I have always been attracted to playing whatever role I can in this regard. I believe that my experience in both the Private and State sectors equips me well to lead the Board of Coillte, and ensure we continue to deliver on our commercial mandate, and on national climate and biodiversity policy in the years ahead.

Coillte was established in 1989 as a commercial State company. It has been on a journey of change and transition to becoming a profitable, innovative and climate focused State-owned commercial company. Coillte's purpose is to manage the State forests on behalf of the people of Ireland. It is responsible for managing 440,000 hectares of primarily forested lands, which is 7% of the land area of Ireland. Coillte is Ireland's largest producer and supplier of certified wood to the domestic wood processing sector. It contributes to the construction of low carbon houses by producing circa 3 million cubic meters of sustainably grown, certified Irish roundwood annually.

As one of the largest landowners in the country, Coillte has a deeply rooted relationship with the communities in which it is embedded. The company has also been to the forefront:

- in the development of onshore wind farms in Ireland,
- in the delivery of outdoor recreation spaces,
- and through its Medite Smartply business, provides sustainable building products for the construction sector.

It is very important, in my view, that Coillte is commercially successful and financially well underpinned, and I am very encouraged by its current strong financial position. In its most recently published financial results for 2022, it had excellent results across all key financial metrics. This included record revenues of €479 million and earnings before interest, tax, depreciation and amortisation of €157 million. This strong financial performance:

- allowed the company to pay its second highest dividend to the State of €27.7m
- facilitated its rolling annual capital investment and reforestation programme,
- enabled its ongoing delivery of a wide range of social dividends, and
- further strengthened its financial position, thereby supporting the delivery of its new forestry strategic vision.

Coillte's future is all about delivering on this forestry strategic vision. Announced in April 2022, the vision set ambitious new targets on climate, biodiversity and recreation, while continuing to deliver for the forest and wood products industry. Importantly, it aims to sustainably balance and deliver the multiple benefits from Ireland's state forests across four strategic pillars: climate, nature, wood and people.

Among the actions that Coillte proposes to deliver as part of this new forestry strategic vision are:

For climate: Coillte recognises that it has deep and considerable forestry expertise and wants to support the delivery of the national afforestation target of 18% forest cover. While recognising the challenges of availability of land and capital, Coillte is targeting to enable the creation of 100,000 hectares of new forests by 2050, half of which will be native woodlands.

Coillte also has an ambition to redesign 30,000 hectares of peatland forests for climate and ecological benefits by 2050.

In addition, Coillte is continuing to drive the development of wind energy on its estate, including through its Joint Venture, FuturEnergy Ireland. Indeed, it is notable that over 50% of Ireland's installed wind energy generation has in some way been enabled via Coillte lands, with over 30% of all windfarms developed, having been originally built on the Coillte estate.

For Nature: Coillte is targeting to enhance and restore biodiversity, by increasing the area of the estate managed primarily for nature from 20% to 30% by 2025, and to 50% in the long term.

For Wood: Coillte's is targeting to produce 25 million m³ of certified Irish timber up to 2030, to support the construction of 300,000 new homes in that period. In 2023, Coillte produced over 2.6 million m³ of sustainably grown certified Irish roundwood. In the same period, Coillte replanted 18 million trees to renew and restart the forest cycle. 2023 saw MEDITE SMARTPLY produce circa 700,000 m³ of panel products.

Coillte also has an ambition to promote the use and benefits of wood products, to increase the level of timber homes in Ireland from 20% to 80% by 2050. Against this backdrop, Coillte is participating in the new Interdepartmental and Industry Steering Group on Timber in Construction which aims to identify opportunities to increase the amount of Irish wood used in construction.

For People: Coillte has an ambition to enable the investment of €100 million to create world class visitor destinations to support growth in tourism and recreation by 2030. In July 2022, Beyond the Trees Avondale was launched, including the magnificent Avondale Treetop Walk and Viewing Tower, and in June 2023 the newly

refurbished Avondale House reopened. This world class, age-friendly visitor attraction used Irish timber throughout and represents an outstanding example of what Irish timber can deliver.

Coillte is also targeting to double the number of Recreation Areas to 500 to benefit local communities and people's wellbeing.

Following the launch of its strategic vision in April 2022, Coillte consulted widely to hear the views of key stakeholders and the general public. Last December, following completion of its public consultation and a Strategic Environmental Assessment, Coillte published a more detailed Forest Estate Strategic Land Use Plan 2023-2050. This plan sets out a range of objectives which will help the organisation to deliver on its strategic ambitions. The next step will see the preparation of Coillte's Forest Estate Strategic Implementation Plan which will drive the delivery of the plan over the shorter term (2026-2035). It is intended that the Implementation Plan will be updated every ten years.

In conclusion, Coillte's approach aims to sustainably balance and deliver the objectives of climate, nature, wood and people, while ensuring the organisation remains financially sustainable so that it can continue to reinvest in providing a broad range of services to society.

With your support, I look forward to my time as Chair of Coillte, and I am confident that we will succeed in delivering on our strategic objectives as a business.

Thank you and I look forward to your feedback and questions.

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