



Message from Minister of State Killeen

The purpose of this annual newsletter is to draw the attention of forest plantation owners to important notices relating to tax clearance certificates, felling requirements, issues arising from change of ownership and taking lands out of forestry, and changes to the reconstitution scheme. A number of articles that may be of interest to forestry owners are also included so that people can be aware of events in the wider forestry sector.

It also gives me the opportunity to communicate directly with forestry owners and to update you on recent developments in our sector.

There is general acknowledgement of the importance of forestry – as a land use, as a provider of raw material for industry, as an increasingly important and positive contributor to the environment and as a source of renewable energy. The Government has long acknowledged its importance and has made a significant investment in the development of forestry over the years. As everyone is keenly aware, we are currently experiencing challenging times in every sector of the economy and the forest sector, unfortunately, is no exception. In this context, notwithstanding the importance and benefits of forestry, difficult choices had to be made in 2009 and it was with reluctance the decision was taken to reduce the forestry premium.

This was no reflection of a reduced appreciation of the significance of forestry but rather a sign of the times. It should be noted that there are significant commitments in relation to forestry in the renewed Programme for Government, the implementation of which are already in train.

Under the Programme, I am committed to reviewing state forestry policy to take account of its critical role in relation to climate change and its importance to construction,

bio-energy, bio-diversity and its potential to deliver long-term employment in other downstream industries. The review will include the role of Coillte and its functions and operations. It will also assess the effectiveness of current forestry grant schemes and make recommendations on how best to deliver supports in the future.

Three working groups are being established to carry out the review with each group assigned a specific aspect. The respective groups will be reviewing Forestry Grant and Premium Schemes, State Forestry Policy, and Coillte – its role, functions and operations. I look forward to the output from these groups, as it is timely to review all of these aspects to optimise the return from the monies invested and the contribution of forestry.

In addition to this, the allocation of €120 million in the recent Budget reflects the Government's ongoing commitment to forestry. This will provide a welcome boost to the planting programme and support schemes administered by my Department. It should also have a knock-on effect on the economic activity and employment in the sector.

The forestry programme has delivered a thriving wood process-



Mr. Tony Killeen, TD, Minister of State at the Department of Agriculture, Fisheries and Food.

ing sector that employs many thousands in rural Ireland and in towns and cities. The opportunities being presented by the developing wood energy market are also welcome. **As you have all made the decision to plant forestry, you are making an important contribution to the timber and downstream industries.** I am pleased that we could provide the funding necessary in these difficult times and I am confident that you will reap the rewards of this investment and I look forward to working with you and all the representatives of the forestry sector over the coming year and into the future.

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Important Notices on:

- The Sale or Transfer of Ownership of Grand-Aided Plantations
- Removal of Trees from Forestry Land
- Legal Requirements for Tree Felling
- Important Notice regarding Tax Clearance Certificates
- Important Notice on Reconstitution Scheme

STRENGTH IN NUMBERS

Private woodland owners across Ireland have come together to form local forestry producer groups

Growing and harvesting timber is a new business for many farmers. Farm forestry took off in Ireland during the nineties with the introduction of attractive afforestation grants. These young, private forests are now gradually coming into production. With half of all private farm forests less than 25 years old, this will result in a sharp increase in private timber volumes over the coming years. In addition, farm forests tend to be small in size. On average, a farm forest is less than 10 ha. This means that there are a growing number of small and fragmented timber producers.

Producer groups

From the above, it is clear that over the coming years substantial amounts of farm produced timber will become available but harvesting and marketing may provide challenges due to the fragmented nature of ownership and geographic locations.

One potential way forward for forest owners is to pool resources and produce together, to market private thinnings and to provide value for money services to members by setting up producer groups.

This formula has proven to be successful in other parts of Europe. Well established and efficient private forest owners associations have been active in Scandinavian countries for many years. Other European countries such as Belgium, Germany, Austria and France also have active and efficient producer groups set up. This formula can also be successfully applied in Ireland.

Local farm forest owners assisted by Teagasc and some local Leader companies and local authorities applied successfully to the Forest Service to set up producer groups in 2007 with a view to improve the marketing and management of private timber resulting in better prices to growers. €220,000 in funding was allocated to newly established producer groups and includes the Donegal Woodland Owners Society, the South Kerry Development Partnership, the Wicklow Uplands Council and the Galway and West Cork Producer Groups.

This is an important development as private thinnings are gradually coming on stream. Markets that can provide an outlet for the produced timber include the conventional thinning market where the better quality material is used for fencing stakes while the other material goes to the board mills as pulpwood. Another rapidly emerging and increasingly important market is the local wood energy market.

Benefits of producer groups

There are several mutual advantages both for the grower and the buyer.

Benefits to producer group members include improved returns to growers as larger volumes attract better prices. Such groups can also provide better value for money services to its members. Services provided to members include the cutting of inspection paths, carrying out a pre-sales inventory and so on. Another very real but often unappreciated benefit to producer group members is the creation of an ad hoc, informal support network providing support and exchange of ideas between group members and across other producer groups resulting in improved co-operation.

Benefits to the timber processing sector include that much larger (and fewer) contracts can be negotiated resulting in secure, multi-annual supply of timber to the buyer.

Now that these producer groups have been established and operational, Teagasc has a nationwide role in assisting the different producer groups.

Producer groups are developing in varying directions building on their own strengths and making use of local opportunities.

Remarkable success of recent Conference

The successful Teagasc/Forest Service National Forestry Producer Group conference and demonstration held this autumn in Kiltimagh, Co. Mayo clearly underlined this need for forest owners to join forces. The conference examined the potential for growers to manage and harvest their crops together.

With 750,000 tonnes of timber coming on stream within the next ten years from private forests, Noel Kennedy, Teagasc said that there is a huge challenge for growers to get this timber to market.

John Fennessy, Forest Service indicated that new models of grower organisation, private enterprise and the state, supported by innovative R&D programmes are needed to make the most of the private forest resource.

Producer groups from around the country were present including the Donegal Woodland Owners Society. This organisation has now over 140 members managing 4000

hectares and its chairperson John Jackson outlined the various activities of the Group.

Niall Farrelly, Teagasc summarised the results of research into cluster analysis which identifies geographic concentrations of private forests, forecasts timber production and permits more efficient harvesting.

Speakers from ICOS, Western Development Commission and Coed Cymru also gave very interesting presentations.

In the afternoon the importance of thinning was highlighted on a local plantation. Farmer forester Eugene McCartan gave a demonstration of timber processing and a range of small scale timber processing and harvesting equipment was on display.

Conclusion

A successful and thriving private timber industry is dependent on attractive timber prices. It is therefore important that producer groups put in place structures to market private thinnings and to provide value for money services to its members. This will ensure that farm forestry will be a viable, attractive rural enterprise opportunity for landowners in the future sustaining our rural communities. Anyone interested in joining such a producer group should contact their local Forestry Development Officer.

For all your forestry advice and training needs Contact your local Teagasc Forestry Development Officer:

Head of Forestry Development Unit

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www.teagasc.ie/forestry

RDS/Forest Service Irish Forestry Awards 2009

Mr. Tony Killeen TD, Minister of State at the Department of Agriculture, Fisheries and Food with responsibility for Forestry, presented the RDS/Forest Service Irish Forestry Awards 2009, at a function in Kilkenny Castle on Thursday, 22nd October 2009.

The Awards recognise and reward farmer foresters and other forest owners who are employing the basic principles of Sustainable Forest Management on their properties, including sound commercial management, environmental protection, biodiversity and social amenity. The two main awards focused on Farm Forestry and Bio-diverse Forest/woodland.

Presenting the Awards, the Minister of State said that he hoped that the acknowledgement and reward of excellence through these Awards would continue to create awareness of what is required to manage our forests to the highest standards possible.

Farm Forestry Category

Winner – Mr. John O’Connell, Limerick

Runner up – Mr. Sean Ronan, Kilkenny

Certificate of Merit – Ambrose Kilcline, Co. Roscommon



Standing L to R: Diarmuid McAree, retired Chief Forestry Inspector, Sean Ronan, John O’Connell, Fonsie Mealy, Vice President RDS, Cathal Kilcline, Bobby O’Connell, Mayor of Kerry, Declan & Yvonne Foley. **Seated:** Minister of State Tony Killeen, Jan Alexander.

Bio Diverse Forestry / Woodlands Category

Winner – Kerry County Council, Ballyseedy Wood

Runner up – Declan and Yvonne Foley, Sligo

Certificate of Merit – Derek Felton, Dublin and Vincent Slevin, Mayo.

A Special Judge’s award, was made to **Ms. Jan Alexander**, Cavan in recognition of outstanding achievements within the industry.

Conservation of the Native Red Squirrels

Article submitted by Dr. Michael Carey

Although the results from the 2007 Irish Squirrel Survey showed there is still a good distribution of red squirrels in Ireland, the dramatic spread of the grey squirrel over the last decade does not augur well for its future. Unless the spread of grey squirrels is arrested it is highly likely that red squirrels will disappear over large parts of the country as has happened in Britain. The future of many of the new broadleaf plantations planted over the last 20 years is also seriously at risk because of bark stripping by grey squirrels.

Key recommendations in the final report on the CRISIS (Combined Research and Investigation of Squirrels in Irish Silviculture) project in 2008 included:

1. Raising public awareness on an ongoing basis about the threat posed by the grey squirrel (conservation of the red squirrel and protection of the broadleaf estate).
2. The introduction of a pilot trap loan scheme in a number of areas across the country in order to contain the spread of grey squirrels and support the conservation of the red squirrel.



Two initiatives took place in 2009 in response to the recommendations—both funded by the Forest Service. These included:

Public awareness

- The circulation of a 32-page educational pack on Red Squirrels in Ireland to all secondary and primary schools in spring 2009. The National Parks and Wildlife Service also supported this initiative. (Also on Forest Service website)

Trap loan scheme

- The introduction of a pilot trap loan scheme in selected parts of counties Tipperary, Louth, Wexford, Wicklow, Carlow, Kildare and Kilkenny and Cork aimed at the trapping of grey squirrels. The scheme focused on areas known to

have grey squirrels and where broadleaf trees have been damaged through bark stripping. In selecting areas, efforts were made to involve adjoining woodland owners with a view to ensuring more effective control of grey squirrels. A total of 273 traps were allocated to some 82 woodland owners resulting in 313 animals being trapped. Numbers of squirrels trapped varied from zero (2/3 of the woodland owners) to 137 at a site near Ardee in Co Louth. Although the numbers trapped were less than might be expected, this may be due to the relatively hard winter in 2008. Autumn 2008 was also a poor mast season. Results confirmed trapping is successful as a control measure if carried out diligently and in accordance with guidelines.

I would like to thank the Forest Service for financial support and the Teagasc Farm Forestry Advisors for guidance on selection of participants in the trap loan scheme.

Gun Clubs

A separate sponsorship project by the Department with the National Association of Regional games Councils (NARGC) resulted in almost 1,400 grey squirrels confirmed as being dispatched by NARGC members around the country.

SALE OR TRANSFER OF GRANT-AIDED PLANTATIONS

Customers must notify the Forest Service in advance if they plan to sell or transfer ownership of any part of their planted land during the term of the premium scheme, i.e. usually 20 years.

- Whenever forestry land is to be sold, owners should take precautions to protect their interests. Solicitors drawing up the contract for sale need to take account of the premium scheme – the important thing to note is that if the new owner is not willing to sign up to this scheme, the Department must claw-back from the previous owner all grant and premium money already paid since the date of completion of the plantation. If you let us know of any intention to sell, we will issue a letter on the terms of the scheme and any further details needed.
- The Department will not divide the premium money in proportion to the seller's or buyer's ownership of the lands for part of the year. Any arrangement for sale should take this into account.
- If the owner of a grant-aided plantation has died, please contact this office for advice on transferring entitlement to the forestry premium.

Please address Enquiries to

Change of Applicant Section
Forest Service
Department of Agriculture, Fisheries and Food
Johnstown Castle Estate Wexford

Tel Lo Call 1890 200 223

REMOVAL OF TREES FROM FORESTRY LAND

Deforestation is prohibited by law except under licence by the Forest Service. Removal of trees or sale of forestry land for building / development requires the advance consent of the Forest Service and repayment by the applicant of all grant and premium money already paid from the date of completion of planting.

Please address Enquiries to

LTO Section
Forest Service
Department of Agriculture, Fisheries and Food
Johnstown Castle Estate, Wexford
Tel Lo Call 1890 200 223

LEGAL REQUIREMENTS FOR TREE FELLING

The Department of Agriculture, Fisheries and Food advise that, under Section 37 of the Forestry Act, 1946, it is illegal to uproot any tree over ten years old or to cut down any tree of any age (including trees which form part of a hedgerow), unless a Felling Notice has been lodged at the Garda Station nearest to the trees at least 21 days before the felling commences.

A Felling Notice may be obtained from any Garda Station or directly from the Felling Section of the Forest Service of the Department. A copy can also be obtained on the Department's Website.

The requirement for a felling licence for the uprooting or cutting down of trees does not apply where:

- a The tree in question is a hazel, apple, plum, damson, pear or cherry tree grown for the value of its fruit or any ozier;
- b The tree in question is less than 100 feet from a dwelling other than a wall or temporary structure;
- c The tree in question is standing in a County or other Borough or an urban district (that is, within the boundaries of a town council, or city council area).

Other exceptions apply in the case of local authority road construction, road safety and electricity supply operations.

Penalties for illegal felling can be severe, ranging from fines of up to a maximum of €63.49 per tree to imprisonment for up to 2 years. In addition to any fine which may be imposed by the Court, the Minister may, by Order, require the person convicted to replant.

For further information, please contact Felling Section, Forest Service, Department of Agriculture, Fisheries and Food, Johnstown Castle, Wexford.
Tel: (053) 9160170 / 9160174 / 9160175 / 9160181.

Need for Forest Owners to have Adequate Insurance

Reconstitution Grant Scheme Restrictions

From 1st June 2009 grant aid will no longer be available to cover the cost of restoring any plantation damaged by Fire or by Wind-blow. For this reason forest owners are advised to have their plantations insured against these hazards. Insurance cover should be arranged with any commercial insurance company of your choice but only a limited number of companies specialise in insuring forestry and farming assets. Your forestry contractor / company may arrange this or may have insurance included already if you have a management contract with them.

The reconstitution grant scheme will continue to be available to finance the cost of restoring plantations damaged by other hazards including disease and frost damage.

The terms of the Afforestation grant scheme – which covered the cost of the original planting – requires that the owner must reconstitute the plantation if it is damaged.

Tax Clearance Certificates

The Revenue Commissioners has informed the Forest Service that Department of Finance Circular 44/2006 (Tax Clearance Procedures – Grants, Subsidies and Similar Type Payments) applies to the schemes administered by the Forest Service and, accordingly, no payment totalling €10,000 or more in a 12-month period will be made to an individual, company or other body without a current valid Tax Clearance Certificate.

Accordingly, forest owners in receipt of an annual forestry payment exceeding €10,000 are instructed to forward a valid Tax Clearance Certificate commencing in 2010. Further details on this requirement will be included in the Form 4 documentation.