



# Growing for the Future



## A Strategic Plan for the Development of the Forestry Sector in Ireland

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DEPARTMENT OF AGRICULTURE, FOOD AND FORESTRY

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## Introduction by Ivan Yates, T.D., Minister for Agriculture, Food & Forestry



Ivan Yates TD

I attach great importance to this Strategic Plan for the Development of the Forestry Sector in Ireland. It is the first of its kind for Irish forestry. In both its time-scale and scope it reflects the multi-faceted nature of the modern forestry sector and accommodates the economic, social and environmental dimensions to the development of forestry in Ireland. It represents the culmination of a great deal of work and has benefited at an early stage of its formulation from input from a broad cross-section of interests.

Within the past decade the structure and scale of Irish forestry have changed dramatically. We have seen total annual afforestation increase from a level of some 7,000 hectares in 1986 to almost 24,000 hectares in 1996. Over the same period we have seen private forestry increase its share of total annual afforestation from 33% to 73% and farm forestry emerge as a major new component of the sector, to the point where farmers now account for some two-thirds of private planting.

The growth of a vibrant private sub-sector has not been confined to afforestation. Over the same period privately-owned businesses in such areas as forest nurseries, harvesting and forestry contracting, to name but a few, have been created and have thrived. New processing entities have located in Ireland, most notably the OSB facility at Waterford Port and the Masonite plant at Carrick-on-Shannon, and others have expanded.

Public forestry has also made major advances in this period. Coillte Teoranta was established in 1989 and has since brought a clearer commercial focus to public forestry, placing an emphasis on cost effectiveness and efficiency and generating substantial profits in recent years.

There are now some 16,000 people employed directly and indirectly in Irish forestry, throughout all areas of the country. The value of total production is of the order of £90 million and added value is put at some £170 million.

These and other impressive features of the development of the sector over recent years have in large measure been built on the support which the European Union has made available to Ireland for the development of our forestry sector. This has been both timely and

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enormously valuable. I believe that in our development of Irish forestry to date we have made excellent use of the opportunity provided by such EU support.

It is now time to build on our achievements to date. The future for Irish forestry is bright and its possibilities are many. In order that it can realise its full potential to contribute to our economic and social well-being it is however vital that future forestry development take place within a framework which not only sets targets and ensures cohesion within the sector in working towards meeting them, but also reflects the inter-action between forestry and many other areas. That is the role and importance of this Plan. It has as a central feature the achievement of a specified level of timber output but is directed also to ensuring that in developing Irish forestry over the years to come we generate the widest possible range of complementary economic, social and environmental benefits.

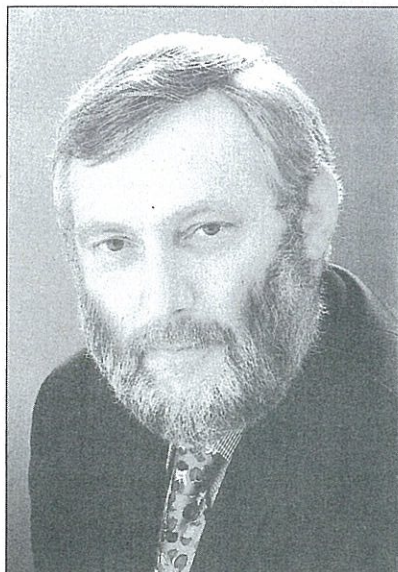
Forestry is primarily but not only about the production of timber. It must be compatible with the environment, enhancing it wherever possible, and should provide a context within which leisure and recreational pursuits can be enjoyed by our own people and visitors to Ireland alike. It should be an agent of rural development, providing farmers, those living in rural Ireland and rural economies with an attractive land-use option and an increasingly significant source of earnings and employment. It is also another area in which quality product, produced from the land of Ireland, can be increasingly supplied into export markets. This Plan seeks to secure all of these benefits.

Implementation of the Plan will require sustained commitment on the part of many interests and groups, within both the private and public sectors. The approval and support of the Government for the Plan demonstrates at the outset its commitment. I have every confidence that the goodwill and commitment of the many other interests, at both national and EU levels, whose involvement is important to the success of the Plan will be similarly forthcoming. The benefits which the development of Irish forestry along the lines set out in this Plan can generate are very considerable and I look forward to working with all concerned to turn such potential into reality.

IVAN YATES, T.D.,  
MINISTER FOR AGRICULTURE, FOOD & FORESTRY

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## Message from the European Commissioner for Agriculture and Rural Development



*Franz Fischler*

I welcome the formulation and publication by the Minister for Agriculture, Food and Forestry, on behalf of the Government of Ireland, of the Strategic Plan. The area of forest cover in Ireland is considerably below the European Union average and forestry in Ireland has significant unrealised potential for positive economic and social benefit.

I acknowledge the success to date of the Irish Government in vigorously promoting the development of forestry in Ireland. I particularly note the progress made in broadening involvement in forestry by the promotion of farm forestry. The European Union has played a major supportive role in these developments, in the context of the Forestry Operational Programme 1989-93 and latterly by means of both the Forestry Measures accompanying the reform of the CAP and the Operational Programme for Agriculture, Rural Development & Forestry, 1994-99. The Commission wishes to see forestry contribute to the greatest extent possible to the economic, social and environmental well-being of the European Union and its peoples. In this context it is particularly appreciative and supportive of plans brought forward and actions taken by individual Member States within the framework of measures at European Union level.

Forestry by its nature requires long-term planning. Its multi-faceted nature and its interaction with the environment and with other areas of economic and social importance require furthermore that plans for the optimal development of forestry at national level within the Member States be both comprehensive and integrated. I am pleased to note that Ireland's Strategic Plan meets both these requirements.

Forestry is also by its nature an activity which presents particular difficulties in the area of funding. Typical minimum periods of rotation mean that the period between investment in the establishment and critical early management of plantations and the generation of a return on that investment, is very long relative to most other areas of economic investment and thereby constitutes a disincentive to investment. Furthermore there is a substantial income loss from afforested land in the years between planting and the generation of revenue from sales when thinning and ultimately final harvesting takes place. These factors are particularly acute in circumstances where the plantation owner is undertaking

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afforestation for the first time, as in the case of farmers in Ireland who undertake farm forestry, and where no past timber sales revenue is available to support ongoing investment in forestry.

I acknowledge that implementation of the Strategic Plan for the Development of the Forestry Sector in Ireland requires a sustained and major programme of afforestation over the next three decades if necessary levels of timber output are to be achieved.

The accompanying measures of the CAP are at present offering considerable opportunities through the forestry measures in agriculture to support the Irish afforestation scheme until the end of 1997. The Commission will submit next year to Parliament and the Council a report of the application of the forestry measures taking thereby into account the needs and concerns expressed by the Member States in the field of forestry development.

FRANZ FISCHLER,  
COMMISSIONER FOR AGRICULTURE AND RURAL DEVELOPMENT



# Layout of Strategic Plan

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The Strategic Plan is presented in the following format:

## **SECTION I** Executive Summary

## **SECTION II** Irish Forestry Today

This provides an outline of the development of forestry in Ireland and its main features in the 1990s.

## **SECTION III** Expanding the Forestry Sector

This section presents the case for further forestry development in Ireland. It outlines an economic assessment of forestry, addresses the concept of target size or "critical mass" of the forestry sector, considers the markets likely to be available over the term of the Strategic Plan and sets strategic goals for the sector.

## **SECTION IV** Sub-Sectoral Elements

Chapters 1-17 consider, individually, the key elements in forestry development, such as planting targets, species, forest management, the environment and the industrial sector. In each of the Chapters the important **Current Features** are first set out, including identification of the key developments to date, an assessment of the present status and a commentary on the strengths and weaknesses. A section on **Policy Considerations** identifies the issues relevant to future development of the sub-sector under consideration within the context of the overall Strategic Plan. A **Policy Statement** is then included and specific **Strategic Actions** to be undertaken are summarised.

## **SECTION V** Appendices