

Chairman's Message



Pat Hennessy,
National Chairman
IFA Farm Forestry Committee

With excellent timber prices in the last quarter, the interest among farmers to construct forest roads and bring their forests into production has increased significantly. For farmers that were ready to thin they have benefited from prices ranging from €10 to €20 per tonne for first thinnings depending on the quality of the timber, access to the forest as well as location to market.

The increased timber prices in recent months have demonstrated the urgent need for a properly funded Forest Road scheme. The limited budget of €2 million meant that the scheme was open for just over two months, with some farmers only getting approval after applying in 2008.

It is IFA policy that the mobilisation of the farm forestry resource is the key priority for any future forest policy. The development of an internal forest road network as well as simplification of the felling licence system are essential to this policy.

Cooperation between forest owners holds tremendous promise to create synergies for forest owners to share experiences, pool timber resources, hire expertise collectively and to develop local value added markets. IFA is encouraging members to join local Forest Owner Group's to improve forest management practices and increase viability particularly for smaller forest owners.

With timber shortages forecasted globally it is good to see the increased interest among farmers to plant, it is expected that over 7,500 hectares of new forests will be established in 2010. With the full support of John Bryan, we will be campaigning to ensure that the forestry programme gets the funding to achieve its potential.



PAT HENNESSY

Forest Policy Review in Progress



John Bryan, IFA President, Sean Connick T.D., Minister of State at the Department of Agriculture, Fisheries and Food with responsibility for Forestry and Pat Hennessy, IFA Farm Forestry Chairman discuss the importance of supporting farmers to establish more forests and mobilise the existing farm forest resource to take advantage of the emerging green economy

In October 2009, the Renewed Programme for Government committed to "review 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 e.g. eco-tourism, furniture, crafts etc.

To facilitate this review three working groups were established, two interdepartmental groups dealing with funding of forestry schemes and the role, functions and operations of Coillte.

IFA is represented on the third group, which deals exclusively with drafting new National Forest Policy. IFA have also made a formal submission to the forest policy review, which is available to download on www.ifa.ie.

Forest policy is still determined by the targets and objectives set out in the "Growing for the Future – A Strategic Plan for the Development of the Forestry Sector in Ireland". In the intervening 15 years much has changed within the forest sector and the broader environment in which forestry operates, as well outside the immediate forest sector in Ireland.

The impact of these internal and external factors has changed the demands on the sector and therefore the terms of reference for the forest policy. The following are some terms of reference used:

1. **The level of afforestation**, taking into account its contribution to rural development and employment generation, the funding of the afforestation programme, and the provision of public goods and services, including climate change mitigation;
2. **Species composition and structure of the forest estate**, taking into account sustainability and competitiveness in wood supply, and the conservation of indigenous biodiversity and tree species;
3. **Future roundwood supply and demand** and
 - a. Its ability to meet national bio-energy targets;
 - b. Its ability to meet raw material demand for wood product manufacture (including locally based enterprises); and
 - c. Investment in forest roads and other infrastructure to mobilise the supply.

IFA is adamant that the central role farmers' play in the development of forestry sector is fully reflected in the new forest policy. That the policy takes account of the characteristics and needs of the farm forestry sector, as well as acknowledges and rewards the many products and services, both timber and non-timber, that are provided by the sector.

The forest sector has a substantial opportunity to contribute too and develop in the transition towards a green, more sustainable economy. **Ireland's forest policy must proactively encourage the shift towards a green economy.**

Economic viability and long-term sustainability must be the cornerstone of Ireland's forest policy. It is hoped that a new forest policy will be drafted by the autumn for consideration by the Minister

Change to Planning & Development Bill flies in the face of Government Commitment to Reduce Costs



Sean Fleming T.D., Chairman of the Joint Oireachtas Committee on Environment, Heritage and Local Government and Pat Hennessy, IFA Farm Forestry Chairman following IFA's presentation to the committee removing the planning exemption for new forest roads that involves opening of access to a public road

IFA Farm Forestry Chairman Pat Hennessy has strongly opposed the amendment to the Planning and Development Bill 2009, which **removes the planning exemption for the construction of new forest roads that involves opening of access to a public road. However, thanks to the IFA campaign he acknowledges that planning permission is not required for new forest roads where the entrance already exists.**

He said the change imposes more bureaucracy and costs that will have a negative effect on the development of forestry, and will affect the supply of wood for renewable energy.

"The amendment will now require farmers to obtain planning permission to construct a new forest road that involves

opening up access to a public road. The imposition of planning, and the subsequent costs, could make the thinning and clearfell of many farm forests unsustainable."

He said he was very disappointed with the amendment to the Bill, which could lead to a significant loss in timber quality and value to the State as farmers choose a non-thin management regime rather than face the additional costs of acquiring planning permission.

Mr Hennessy said, "this will seriously hinder the mobilisation of the valuable indigenous carbon neutral resource. The priority should have been to support farmers, not to impose impediments. The construction of an essential forest road network would encourage the mobilisation of the farm forestry resource."

Forest Facts

Did you know that.....

10% of Ireland is under forestry

720,000 hectares of forests are planted

44% is in private ownership

Volume of growing timber is 18.5 million m³

16,500 farmers have planted forestry

Forest industry contributed €1.89 billion or 1% of GDP in 2008

Total employment is estimated at 20,000

2.3 million m³ was harvested in 2008

Private sector harvested 200,000 m³

20% of the private forest owners are approaching first thinning

Production from private forests is expected to increase to 3 million m³ by 2028

Forestry is Ireland's largest biomass resource

Wood fuels are the 2nd largest contributor to renewable energy sector after wind

Wood fuels displaced 380,000 tonnes of CO₂ in 2008

Irish forests store 6 million tonnes of carbon dioxide per annum

1 hectare of forest thinnings can produce approx. 5,000 litres of home heating oil

The Real Story With Woodland PRSI

Woodlands are exempt from income tax subject to certain conditions, but are liable for PRSI on the reckonable income at the self-employed PRSI rate of 3%. PRSI has been liable on all forestry income since 1998.

If Woodland PRSI was liable since 1998 why was 2009 the first year that the Department of Social Protection requested payment of PRSI on forestry income?

In 2007, the Revenue requested that income tax exemptions be listed in annual tax returns, which included forestry income.

This alerted the Department to forest owners that had not been paying their PRSI contribution on forestry income. Approximately 500 letters were sent to forest owners asking them to pay their 2007 PRSI liabilities.

How do I pay my PRSI liabilities on forestry income?

At present there is no facility to pay the PRSI liability through the Revenue Commissioners, for example through the Revenue Online Service (ROS) or the tax returns. Cheques or postal orders should be made The Accountant, Department of Social

Protection. They should be sent to The Accounts Branch, Department of Social Protection, Floor 1, Government Buildings, St. Alphonsus Road, Dundalk, Co. Louth.

Can the Department of Social Protection look for payment of PRSI liabilities prior to 2007?

Yes, the Department are entitled to look for payment of PRSI liabilities on all forestry income from 1998 however they have provided no indication at this stage of their intention to look for back dated PRSI liabilities on forestry income.

IFA Call on Minister Connick do the Right Thing and Pay FEPS Premium for Farmers Excluded from REPS 4

IFA are very disappointed at the decision taken by the Department of Agriculture, Fisheries and Food not to pay FEPS premiums to farmers that complied with the conditions of the scheme, established high nature value woodlands and through no fault of their own are excluded from REPS 4.

The decision to close REPS and not to link FEPS to the new Agri-Environmental Options Scheme (AEOS) was a decision taken by the Department and was beyond the control of the farmers concerned. Farmers entered into the scheme in good faith, satisfied the terms and conditions of the scheme and have a legitimate expectation to be paid the FEPS premium for 5 years.

The numbers of farmers affected are very small. There are approximately 26

farmers that planted 310 hectares have been refused the FEPS premium to date. The cost of restoration of FEPS premiums to the farmers concerned is estimated at €60,000 per annum. A negligible cost when you consider the positive message the reinstatement of FEPS premiums would deliver to farmers that have committed land as well as farmers that are considering forestry as an alternative land use.

The FEPS encouraged farmers to establish high nature value woodlands through adopting measures, which increased biodiversity, water quality protection or provided new habitats for wildlife. The premium was to compensate for the increased management requirements of the woodland as well as loss in timber production value.

Forest Road Scheme Closed After Just 2 Months



Forest Roads are essential for the mobilisation of the Farm Forestry resource

The €2 million forest road scheme budget was spent in just over 2 months such is the demand in the private sector. Some farmers have been pending approval since 2008 and are now delighted to be able avail of the excellent timber prices being offered at the moment.

For those that hope to thin in the next two years IFA strongly recommend that you apply for your forest road immediately as it can take over a year to get approval.

With the re-opening of the scheme a new two-phased payment system has been introduced. It is proposed that the first instalment of 80% will be paid on the successful completion of the forest road. The second instalment of 20% will be paid when the harvesting operation is completed.

The terms and conditions of the new two-phase payment system have yet to be finalised but it is proposed that the payment

of second instalment will be forfeited if farmers or contractors do not comply with the following:

- The forest is not thinned or harvested within 3 years of date of 1st instalment payment;
- The thinning & harvesting must be carried out in accordance with the environmental guidelines and the harvesting conditions of felling licence; and
- The forest road is in a satisfactory condition to allow the use of emergency service vehicles.

It is hoped that the new payment system will (i) reduce waiting times for financial approval (ii) reduce damage to forest road during harvesting operations and (iii) improve the standard of thinning operations.

IFA will continue to campaign for a more appropriate Forest Road Scheme budget so that farmers can construct essential infrastructure to mobilise farm forestry resource.

Safety Always Comes First When Felling a Tree with a Chainsaw



IFA advise farmers to use chainsaw safely, always wear personal protective clothing to protect head, hearing, eyes, face, hands, legs, and feet

Safety must be of utmost concern when approaching tree felling as more people are killed while felling trees than during any other harvesting activity. **In Ireland already this year two men have died during tree felling operations. Both men were skilled agricultural workers, one with over thirty years experience.**

As more and more farmers are using chainsaws to manage their forests and undertake small tree felling it is very important that they are correctly trained to use a chainsaw and wear the proper protective clothing.

Cutting trees with a chainsaw is particularly hard on the eyes and ears. It is important to start by protecting your head, your eyes, your hands and your ears by using a hard hat, safety glasses, non-slip gloves and earplugs. It is also recommended that farmers protect knees, legs and feet, as injuries are very common. Steel capped boots and specialised protective trousers are also recommended.

The Health and Safety Authority have produced a new Code of Practice for Managing Safety and Health in Forestry Operations. IFA advise all farmers to familiarise themselves with the Code which is available to download on www.ifa.ie.



Worst Year in Recent History for Forest Fires

2010 has been the worst year in recent history for forest fires with over 1,000 hectares of forests damaged or destroyed by fire. These forest fires have caused untold distress and significant financial loss to the farmers affected, particularly for those that were not insured. In some instances that fires came very close to houses but thankfully no one was seriously injured.

The cause of the fires has yet to be determined but typically forest fires are started from fires spreading from adjacent fields. **IFA would like to remind farmers that it is an offence under the Wildlife Act to burn vegetation between 1st March and 31st August.**

To address the causes of forest fires and reduce the risk the Forest Service has established a Forest Fire Working Group. The group hopes to improve communication

and coordination between key players so that fire prevention and preparedness measures can be incorporated into local planning.

Mr. Hennessy, IFA Farm Forestry Chairman recommends that farmers ensure their firebreaks are correctly maintained. Firebreaks are useful to stop low intensity surface fires and as a line from which fire fighters can operate. However, firebreaks vary in their effectiveness depending on adjacent hazards, the landscape and maintenance.

Under the terms and condition of the Afforestation Grant and Premium Scheme it is the responsibility of the forest owner to re-establish the forest following a fire so it very important that forest owners insure their forest and do not unnecessarily expose themselves to this significant financial burden.



F|B|D

Protect Your Investment, Insure Your Forest Today With FBD

1. **Do not light fires** in or near woodlands.
2. **Check fires breaks annually** before the fire season. Firebreaks should be at least 6 metres wide.
3. **Insure your crop.** Contact FBD Insurance today and get FREE membership to IFA Farm Forestry section.
4. **Plan Ahead.** Fire plans should be developed for all forests for further details check out www.ifa.ie.
5. **Discuss with neighbours.** Cooperation is vital to fire prevention.
6. **Be vigilant** particularly during prolonged dry spells like this spring.
7. **Report damage** to the local Garda Station and Forest Service Inspector.

IFA Endorse Proposal to Establish Dedicated Deer Management Unit

The Woodlands of Ireland have produced a report Deer and Forestry In Ireland: A Review of the Current Status and Management Requirements, which recommends that a Deer Management Unit is established. The full report is available on www.ifa.ie or www.woodlandsofireland.com.

There is currently no definitive information on the size of the deer population in Ireland, however the report confirms that the deer population is increasing. The general consensus is that changes in land-use, such as the increased afforestation

programme have increased the deer population.

This has resulted in an excessive amount of deer damage in certain parts of the country, which is disturbing rural activities like farming and woodland management and is a growing concern for farmers.

All deer can be a threat to forestry and woodlands both native and non-native, due to their feeding habits, which can prevent regeneration when deer populations are too dense. They can cause damage in plantation forests by uprooting newly planted

trees, browsing shoots and buds of young trees and bole scoring. They can strip bark from the trunk and branches of older trees. The economic implications to both the State and forest owners from loss of timber production as well as increased management and fencing costs are significant but will increase if the deer population is not managed.

IFA support the establishment of a dedicated Deer Management Unit to control the deer population, minimise the environmental damage and maximise the economic contribution to society.

Take Advantage of High Timber Prices Start Thinning Your Forest

Timber prices have risen dramatically in 2010 and are currently at an all time high. **Prices for first thinnings range from €10 per tonne to €20 per tonne depending on quality of the timber.**

Nonetheless, harvesting activity in the private forestry sector has been limited as forest owners have not been able to take full advantage of the high timber prices since the Forest Roads scheme has only begun to issue approvals in the last few weeks.

Mr. Jim Hurley, East Log Harvesting Ltd. said the **lack funding in the Forest Road scheme is the biggest obstacle to the mobilisation of timber in the private forest sector.** He said that until the scheme is appropriately funded the private forest sector would not achieve its production targets.

IFA have repeatedly highlighted to the Government that lack of funding for forest roads is the main barrier impeding the mobilisation of the private sector resource. The lack of funding for the Forest Road scheme must be resolved in the 2011 budget or else production targets will not be achieved with serious repercussions for the processing sector as well as the emerging wood energy sector.

The demand for wood is very strong at the moment and the renewable energy sector has created a new vibrant market for forest thinnings. It is crucial that timber in the private sector starts to move, so if you are a forest owner that planted in 1994 or before, call your local forester today to arrange to get your forest thinned.

Timber Assortment	Price €/m ³
Pulp	24
Pallet	67
Sawlog	92

Why Join a Forest Owner Group?

Approximately 45% of the national forest estate is privately owned. There are over 19,500 private forest owners of which 16,500 are classed as farmers. The majority of private forest owners have small forests (the average size is 9 hectares) and have little or no experience in forest management.

The fragmentation of the private forest sector and the lack of technical skills are a serious threat to the sustainable management of these forests. Associations or groups of forest owners are one way to coordinate forest owners and increase efficiencies as well as provide an opportunity to exchange information with other farmers in a similar situation to improve forest management.

The development of forest owner organisations has already begun in Ireland; there are groups throughout the country at varying stages of development some groups are coordinating management operations or jointly marketing timber while others are focussed on getting to know each other and learning more about forest management through field days etc.

Typically, **a forest owner group is started by a group of people who share a common vision.** They will hold publicised meetings to solicit interest from other prospective members. The meetings initially are an opportunity to meet with other forest owner locally, to exchange ideas to determine the expectations of the group. Once a vision is agreed it is recommend that an operational or business plan is developed to give some structure and guidance to the group.

The range of activities and services provided by a forest owner organisation is dependent on the demands of the group. Groups can be set up and administered in order to:

- **Pool management resources**, for example contracting of forestry operations, grouped purchase of supplies or timber sales, which increase sustainability and enable high-quality forest management; and
- **Improving wood and timber supplies** into the timber-processing sector.

Two major organisational types exist informal group, where there is no organisational body or formal groups such as cooperatives, associations etc.

Most of the emerging forest owner groups in Ireland are coming together informally to coordinate thinning operations, in order to improve viability and reliability of timber supplies. By working as a network the forest owners are in a strong position to optimise services such as:

- Coordination of technical and logistic operations;
- Production of wood-chips for fuel;
- Certification of sustainable forest management; and
- Research and development into innovative techniques to increase management efficiency.

Nearly two-thirds of the forest estate is 20 years old or less, this is due to the large-scale afforestation that took place in the last twenty years by private forest owners. The supply forecasts indicate that the **production volumes from the private sector are expected to more than double within a decade.** This offers farmers enormous opportunities if they can mobilise the farm forestry resource.

If you would like to learn more about forest owner groups please contact IFA Farm Forestry on 01 4500266.

10 Reasons to Join a Forest Owner Group

1. **Facilitates farmer to farmer networking**
2. **Increases transfer of knowledge**
3. **Improves efficiency of forest operations**
4. **Increases viability of managing small forests**
5. **Reduces management costs**
6. **Promotes forest related entrepreneurship i.e. fire wood suppliers**
7. **Increases timber supply**
8. **Improves reliability of supply**
9. **Opens up new markets opportunities**
10. **Facilitates forest management certification**

Join IFA Farm Forestry and keep up to date with what's happening

Connect to a network of over 16,500 farm foresters. Together you manage nearly 230,000 hectares or over 25% of the national forestry estate.

The IFA Farm Forestry section is the **only independent voice representing forest owners** at local, national and European level. We campaign on your behalf to ensure that farm forestry gets sufficient funding and supports to achieve its potential.

The IFA Farm Forestry section supports thousands of farmers annually delivering results consistently for the private forest sector.

Become a member today and strengthen the voice of forest owners in Ireland.

10 Ways IFA supports YOU as a Farm Forester to Make Better Forestry Decisions

- 1. Access to professional forestry and wood energy advice** – direct access to Geraldine O’Sullivan, a professional forester with nearly 10 years experience in forestry and wood energy sectors.
- 2. Representation at local, national and European level** – IFA represents your views to positively influence forest sector development and policy processes for farm foresters.
- 3. Email and texting services** – keep up to date on the latest local and national forestry news, advice, meetings or events.
- 4. IFA Forestry newsletters** – catch up on the main forestry news, forest management advice, and market information, written specially for you.
- 5. Farm Forestry information service** – IFA provides a comprehensive management guide for farm foresters through field days, workshops, information leaflets and the website, www.ifa.ie
- 6. IFA Skillnet training courses** – accredited training courses specifically designed for farmers, savings up to 50% on courses such as Timber Measurement, Chainsaw Felling, Shaping and Pruning and Thinning Broadleaves.
- 7. Farm Forester discussion groups** – IFA has created a on line forum Talk Timber Together connects members locally to exchange information, experiences and maybe even develop business partnerships.
- 8. ifarm**– a one-stop-shop for all you forestry needs www.ifarm.ie, the web-based services include a county by county directory for forestry and wood energy professionals, timber marketing service and much more.
- 9. Farm Forestry Owner Groups** – IFA are actively supporting members to set up producer groups locally, to coordinate management operations, to identify funding sources, to market timber sales collectively and to establish alternative on-farm timber enterprises.
- 10. National Forestry Conference** – reduced registration fee for IFA Forestry members to encourage greater farmer discussion and participation in pertinent forestry issues.

New Farm Forestry Associate Members Package

All forestry companies, consultants or related professions can join IFA Farm Forestry as an Associate Professional member. As a member of the IFA **your business will have the opportunity to network with farmers to and build lasting business relationships.**

The IFA is Ireland’s **largest farming organisation with over 87,000 members** in 945 branches nationwide. As a member you will get unprecedented access to this network of farmers to promote the services offered by you or your business.

As an IFA Farm Forestry Associate member you will get:

- Priority listing on the www.ifarm.ie on-line forestry directory a one-stop-shop for all farm business needs and the IFA Farm Directory;
- Access to IFA text & email service to communicate directly with farm foresters;
- Opportunity to advertise in IFA newsletter; and
- Guaranteed savings for your business with IFA Telecom, IFA Mobile and IFA Power.

If you are interested in becoming an IFA Farm Forestry Associate Membership, check out the full list of benefits are available on www.ifa.ie



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Nobody works harder for farm foresters