

# Forestry Review and Outlook 2022



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# Overview

## ■ Forest Sector 2020/2021

- Annual forest planting levels
- Indicative forestry returns
- Timber demand and supply
- Timber price trends

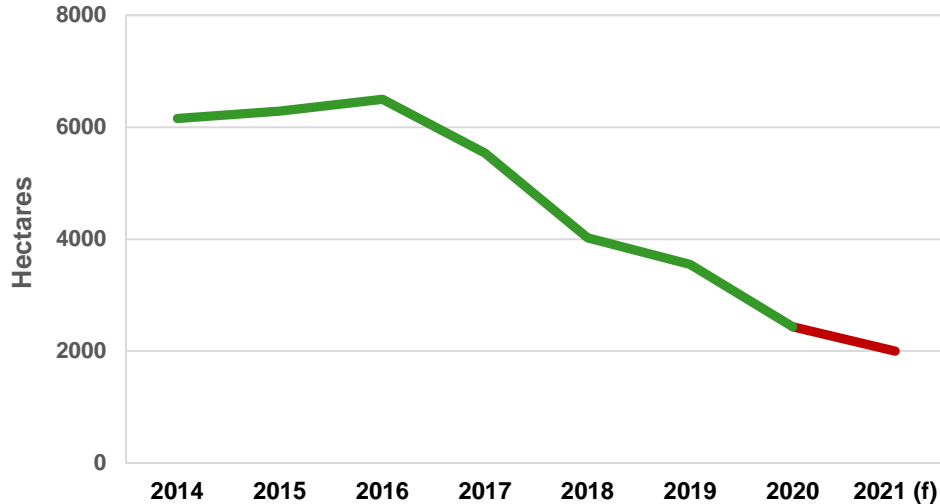
## ■ Outlook 2022

- Net realisable timber volumes
- Timber markets 2022
- Forests and climate change mitigation
- Final messages



# New forest creation

## Annual planting levels 2014 to 2020, with 2021 forecast



Source: DAFM (Various years)

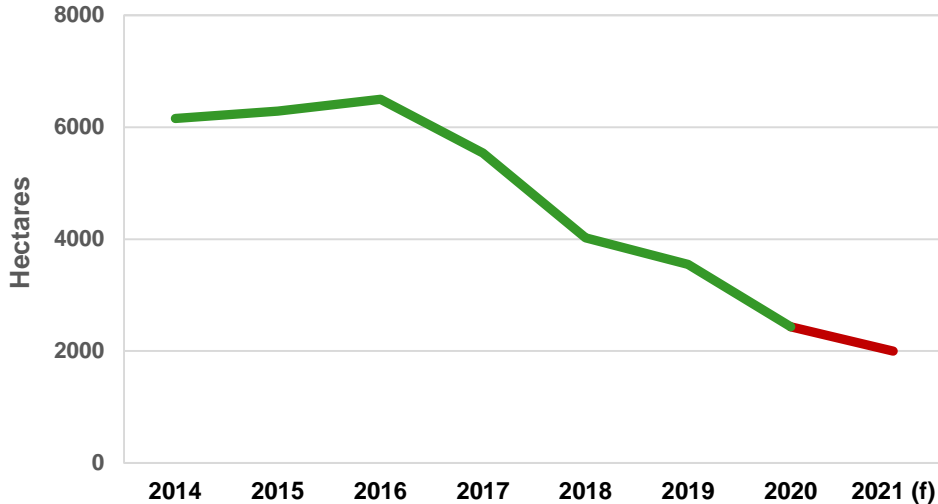
## Project Woodland

Established in February 2021 to address key forestry challenges in Ireland and to progress new woodland creation as well as other licencing activity.

- Development of coherent Vision and Forest Strategy
- Regulatory review of licencing system
- Process of pre application discussions
- Environmental planning grant

# New forest creation

## Annual planting levels 2014 to 2020, with 2021 forecast



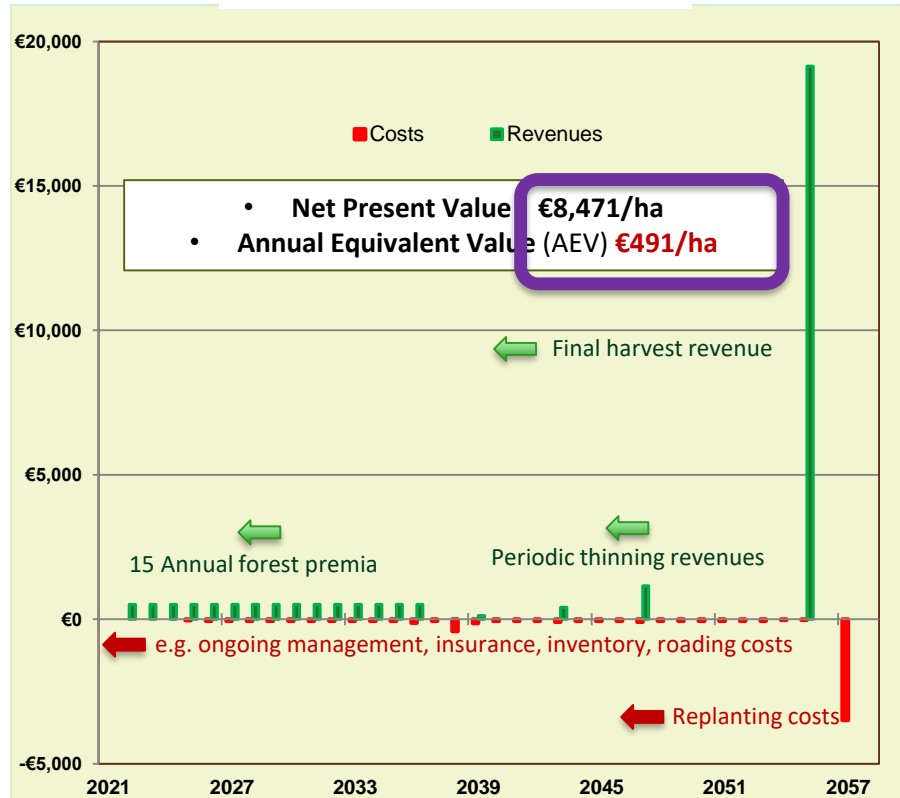
Source: DAFM (Various years)

## Feedback from sector

- Urgent need for sustained increase in the supply of licences for afforestation and other forest activities
- Industry is fully reliant on a continuous flow of licences
- Support farmers and land-owners
  - re-engagement with the forestry as a viable and complementary land use option
  - build confidence on the merits of planting

# 2021 Indicative Forest Returns (per ha.)

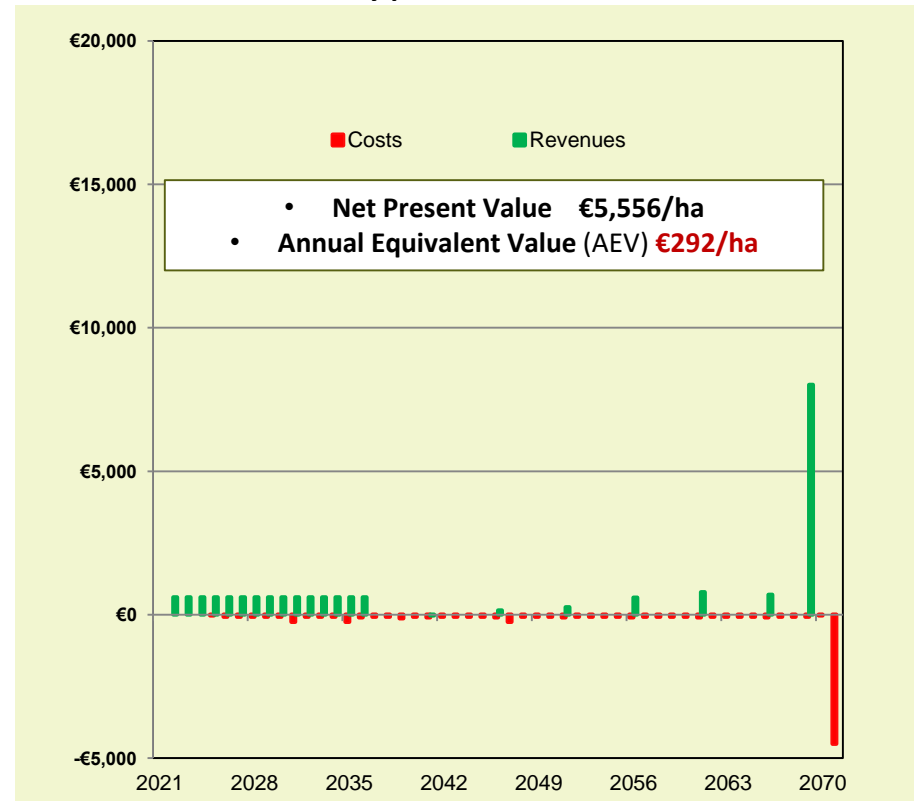
## Mainly productive conifer forest



**GPC 3: 70% Sitka spruce, Yield class 24**  
 15% Broadleaf species,  
 15% Area for Biodiversity Enhancement (ABE)

(ABE = open spaces, retained habitat, hedgerows, environmental setbacks)

## Mainly productive broadleaf forest



**GPC 5: 85% Sycamore, Yield Class 8**  
 15% Area for Biodiversity Enhancement (ABE)

# Timber Markets

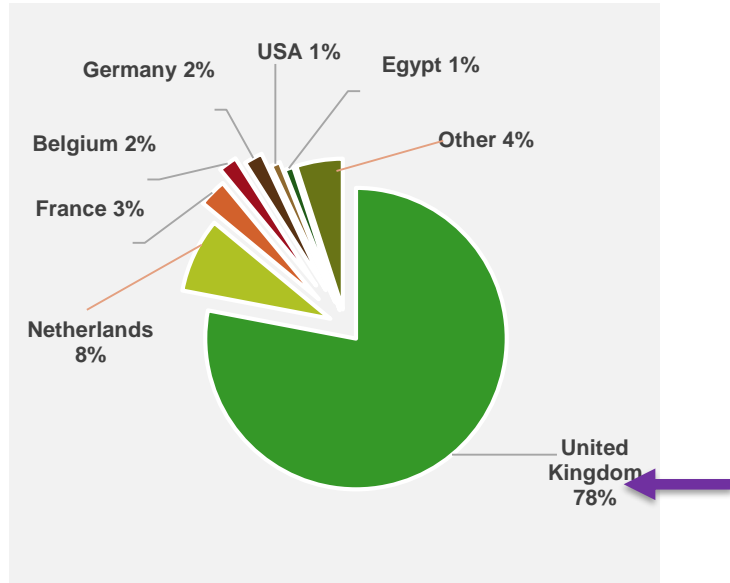
**2020**

- Exports of forest and wood based products estimated at €446 million
- Reported Coillte log sales of 2.31 million m<sup>3</sup>

*Source: Forestry Commission, 2021*

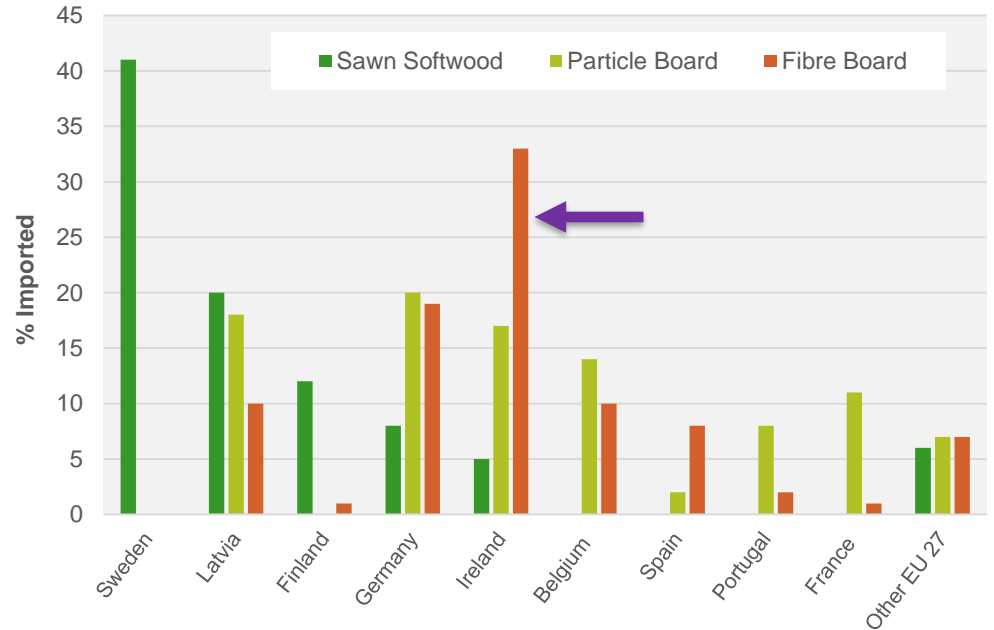
# Timber Markets

Top destination countries for our forest and wood-based exports 2020



Source: DAFM 2021

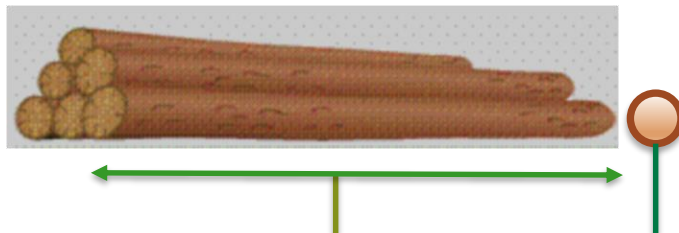
Country of origin of wood imports to the UK, 2020



Source: Forestry Commission, 2021

# Timber Price Trends

- Published timber prices not available during 2021
- Record prices for logs reported
- Prices have declined by a reported 15 -20 % in recent weeks
- Prices are indicative and fluctuate according to range of factors

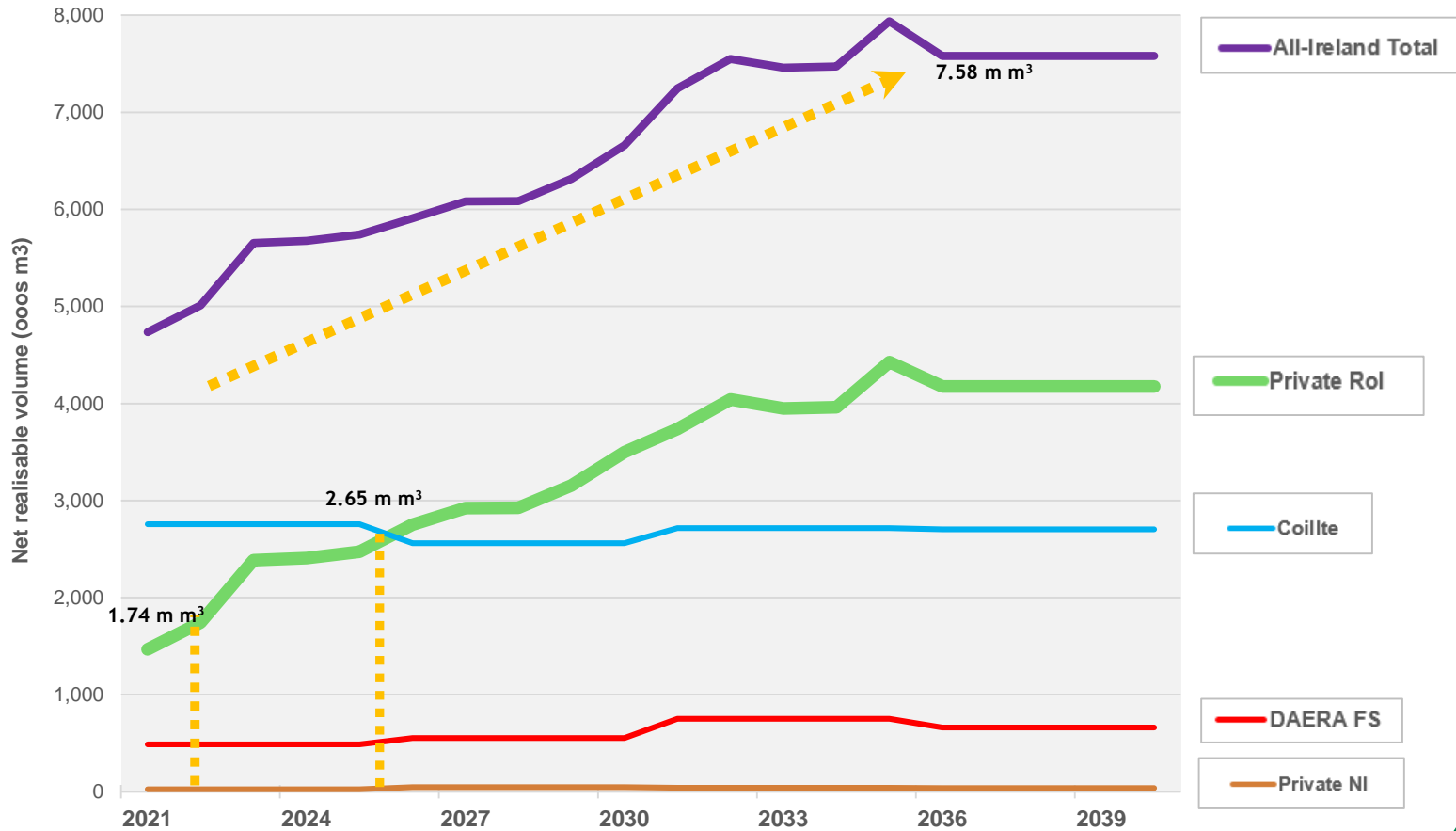


Product	Length (m)	Small end diameter (cm)	Mill Gate Prices July – Sept 2021 €/tonne (ex VAT)
Pulpwood	3		35 - 40
Stakewood	1.6+	>8 <15	50 - 55
Palletwood	3.7	14+	86 - 106
Sawlog	3.7+	18 – 20+	115 - 134

Source: industry feedback, 2021



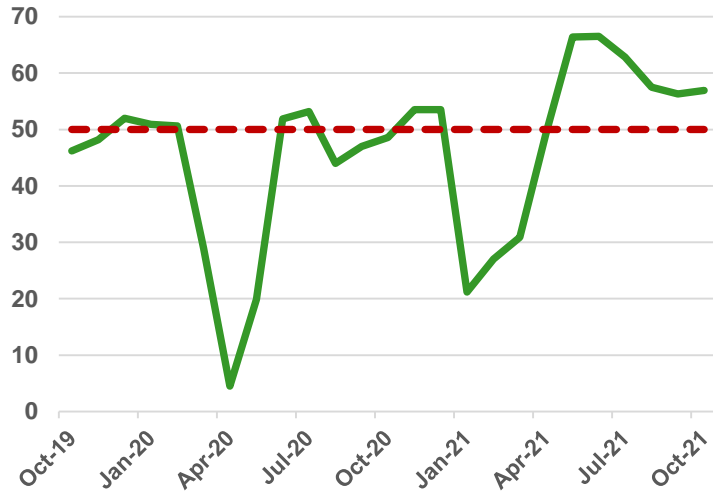
# All Ireland Net Realisable Timber Volumes to 2040 (000's m<sup>3</sup>)



Source: COFORD 2021

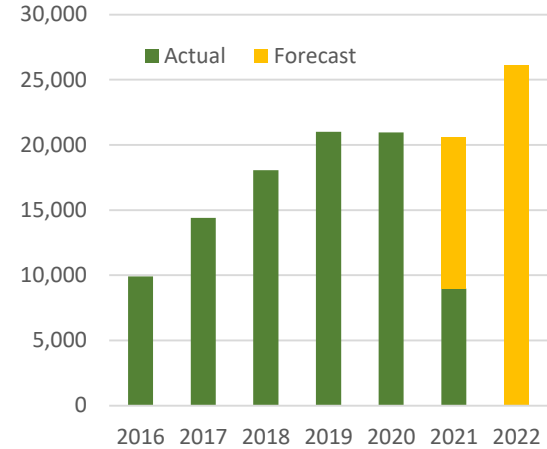
# Domestic timber markets 2022

## Construction Purchasing Manger's Index Oct 2019 to Oct 2021



Source: Ulster Bank, 2021

## Dwelling completions Rol (actual and forecast) 2016-2022



Source: CSO and ESRI 2021

# International timber markets 2021/2022

COMPANIES IN THE TIMBER INDUSTRY / DAILY NEWS / GLOBAL TRENDS / MARKET ANALYSIS / FORESTRY / LUMBER / SAWMILLING / STATISTICS / WOOD CONSTRUCTION / WOOD PRODUCTS / EUROPE / GLOBAL

🕒 June 2, 2021

**European timber construction sector reports worsening supply situation and rising prices**

DAILY NEWS / GLOBAL TRENDS / MARKET ANALYSIS / FORESTRY / LUMBER / SAWMILLING / WOOD PRODUCTS / WOOD-BASED PANELS / EUROPE / GLOBAL

🕒 October 5, 2021

**Big increase in UK timber imports from the EU despite Brexit**

Source: [globalwoodmarketsinfo.com](http://globalwoodmarketsinfo.com)

Construction Industry  
Forecasts 2021-2023

Autumn 2021 Edition -



CPA predicts continued growth into 2022

26 October, 2021

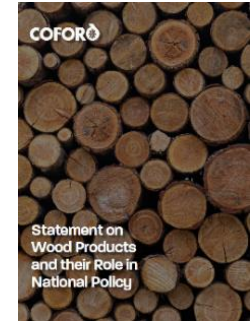
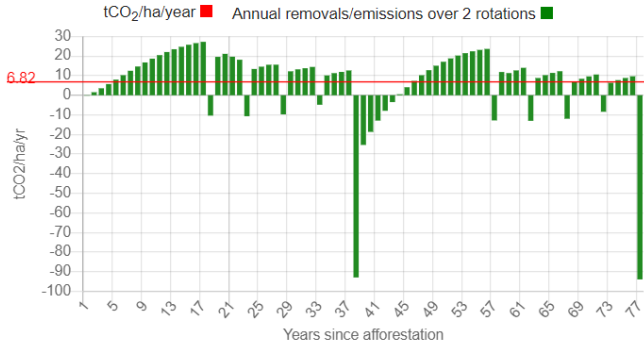
Source: UK Construction Products Association, 2021

# Forests and climate change mitigation

## Forest Carbon Tool



Grant and Premium Category (GPC 3): 15 % diverse conifers/broadleaves



# 2022 challenges



## Licensing

- Sustained and enhanced flow of licences for the key forestry activities
- Sustained progress on licencing backlogs

## New forest creation

- Support to farmers and landowners
- Promotion of positive messages

## Timber mobilisation

- Support capacity building for forest owners to optimise, economic, environmental and social benefits of forests
- Awareness raising of needs for forest certification

## Timber demand

- Forecast of 26,000 housing completions in Ireland 2022
- Optimism in both domestic and UK markets with appropriate timber supply

## CAP 2023 - 2027

- Positive framework to support afforestation



Thank You

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