WFBP 11_07

Opportunities for Private Woodland Owners to supply wood to the Wales timber market

Feedback from consultation session and workshops - Monday 19th February 2007

Executive Summary (P2-3)

The WFBP have identified 6 key themes from the recommendations made at the event;

A) SMALL WOODLANDS <20Ha

B) LARGER WOODLANDS

C) CONVERGENCE FUNDING

D) ACCESSING LOCAL GOODS & SERVICS

E) CHAIN OF CUSTODY - FSC

F) DATA INFORMATION

SECTION 1 (P4-10)
Identifying 'Issue Areas'

Delegates worked together in groups to identify 5 'Issue Areas' which were fed back in plenary and clustered to identify 9 significant Issue Areas. These are summarised into the following categories;

1. **Contractors**
2. **Regulation and Policy**
3. **Price & Profitability – A**
4. **Price & Profitability – B**
5. **Infrastructure & Access**
6. **Quality**
7. **Marketing – make it easy for small woodland owners**
8. **Market Information**
9. **Certification**
10. **Advice & Support for Owners**

Delegates selected an ISSUE AREA to work on to develop:

- **INSIGHTS about the issue area**
- **IDEAS for moving forward**
- **Up to 3 specific 'Next Step' RECOMMENDATIONS.**

Feedback captured from the delegate groups and is formatted in tabular format.

Appendix 1 (P11-13)

Summary of Recommendations

Summary of the recommendations for the consideration of the WFBP.

Appendix 2 (P14) **Session Evaluation.**

Executive Summary

WFBP has identified 6 key themes from the recommendations obtained at the event;

A) SMALL WOODLANDS <20Ha

Support required providing woodland management advice, improving silviculture and encouraging group co-operatives.

CONTRACTORS

- Cooperative working and secure continuity
- Inclusion of small scale operations

PRICE & PROFITABILITY

- Continue thinning on the basis that it will be worth more (100%) at end of rotation

ADVICE & SUPPORT FOR WOODLAND OWNERS

- More professional support – advice, support, guidance
    - Concentration on owners of over 20 hectares would substantially reduce administrative costs. small woods under 2 hectares are unlikely to produce (sustainably) any appreciative quantity of timber

B) LARGER WOODLANDS

Support is required to provide a resource in order to manage woodlands effectively, improving silviculture and economic value by ensuring a thriving timber harvesting resource via a Modern Apprenticeship Scheme. Address Health & Safety, Licensing, Chain of Custody, FSC and Roads / Infrastructure issues

CONTRACTORS

- Cooperative working and secure continuity

PRICE & PROFITABILITY

- LTC commitments between PS grower/Miller
- Continue thinning on the basis that it will be worth more (100%) at end of rotation
- Investigate 'niche' markets to add value to timber products

ADVICE & SUPPORT FOR WOODLAND OWNERS

- More professional support – advice, support, guidance
    - Persuade owners that getting timber on the market is good management. Good management = maximum value of woods in reducing carbon emissions.

C) CONVERGENCE FUNDING

Opportunity for securing funding support for the industry. Inform and advise the Welsh Assembly Government on matters that affect the sector i.e. energy, supply chain development, wood mobilisation.

- Roger Cooper highlighted substantial income demand in future for fuel woods and SRW. How can we use this as a motivation for owners to bring their SRW to market?
- WFBP to lobby Woodland Strategy Review to raise the importance of economic aspects. Profitability underlines all aspects of woodlands- without it other benefits suffer.

- Measures have to be put in place that stabilises price and supports the high costs of managing woodlands less than 100ha.

D) ACCESSING LOCAL GOODS & SERVICES

Guidance to procurement teams for the use of local goods and services in construction and other relevant projects.

INFRASTRUCTURE & ACCESS

- W.F.B.P to identify lead planning bodies

E) CHAIN OF CUSTODY – FSC

Providing advice and support to achieve CHoC.

PRICE & PROFITABILITY

- Grouping of suppliers to guarantee timber to markets

CERTIFICATION

- Market Research. Customer demand & publicise ("Wood for Good" route?)
- Persuade owners to participate
- Provide assistance to achieve greater take-up (say 2 year programme)

  - Consider regional events to assist woodland owners, contractors, hauliers and saw mills on issues such as procedure and value of certification of woodlands, chain of custody etc. plus identification of markets for different types of timber.

F) DATA INFORMATION

Providing relevant accurate information on: market place, price, promotion opportunities, timber resource etc.

PRICE & PROFITABILITY

- Professional marketing advice

INFRASTRUCTURE & ACCESS

- Getting W.F.B.P to draw together a 'one stop shop'

MARKETING – MAKE IT EASY FOR SMALL WOODLAND OWNERS

- Awareness / Promotion of opportunities for woodland owners
- Web database of timber for sale- round-wood and sawn
- Web database of timber wanted and work required

MARKET INFORMATION

- Investigate formation of pilot marketing cluster by W.F.B.P
- Use wood knowledge to provide market information –W.F.B.P
- Survey to validate assumptions in PS forecast- ConFor/W.F.B.P

ADVICE & SUPPORT FOR WOODLAND OWNERS

- Woodknowledge Projects

- Welsh database. Web hyperlink from all web sites for Good" route?), Website, Forest societies, Groups (promotion / advertising), Case studies

SECTION 1 - ISSUE AREA 1. CONTRACTORS

<table>
<tr><th>ISSUE</th><th>INSIGHTS</th><th>IDEAS</th><th>RECOMMENDATIONS</th></tr>
<tr><td>Regular work for contractors / hauliers</td><td rowspan="4">No financial support for training
Low prices = low wages
New Blood
Continuity</td><td rowspan="4">Partnership working “co-operation”
“investment in people” EU funding modern apprenticeships
Add value?
LTC’s cluster groups</td><td rowspan="4">Co-operative working & secure continuity

Long term training support – continuous

Inclusion of small scale operations</td></tr>
<tr><td>Available labour resource / skills
- insecure
- no new blood</td></tr>
<tr><td>Lack of capacity in services e.g. Availability of contractors. Contractor base for small wood working is poor</td></tr>
<tr><td>Availability of data on;
- suitable
- trainees
- cost effective</td></tr>
</table>

<u>SECTION 1</u> - ISSUE AREA 2. REGULATION & POLICY

<table>
<tr><th>ISSUE</th><th>INSIGHTS</th><th>IDEAS</th><th>RECOMMENDATIONS</th></tr>
<tr><td>Inappropriate woodland strategy</td><td rowspan="5">Woodland strategy CCF- is it really a good approach in Wales. Is 50% target achievable

Regulations should encourage timber to market – not stop it.

Cross-border co-ordination of application of regulations

BWW – small woodlands simpler scheme. One size does not fit all

Faster turn around

Different application of rules to private sector & FC estate

FC regulator & woodland owner – Conflict of interest

Woodland officers & management planners. Clarity of roles

Politicians – short term</td><td rowspan="5">Influence revisions of woodland strategy to ensure strong economic drivers

Do you need a regulator if woodlands are certified?

Separate regulator from Assembly estate management

Simplify conflict. Resolution.

Improve Woodland Officers' understanding of economic drivers in the private sector

BWW.

- simple – small woodlands

- complex – large woodlands

BWW. Small woodlands simpler scheme.</td><td rowspan="5">Influence woodland strategy review

Evolve BWW to simplify approach for small woodlands

Lighter touch for certified woodlands</td></tr>
<tr><td>Over-regulation (Bureaucracy). Regulation & the costs in time therefore money training and certification, environmental constraints, H&S</td></tr>
<tr><td>Simplify grant schemes – target small woods better</td></tr>
<tr><td>Forestry Commission control over private sector re: licences</td></tr>
<tr><td>Politicians don't understand</td></tr>
</table>

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<u>SECTION 1</u> - ISSUE AREA 3. PRICE & PROFITABILITY - A

ISSUE	INSIGHTS	IDEAS	RECOMMENDATIONS
Profitability from timber - Contractors? - Hauliers? - Owners?	Small quantity of C24 produced. Education to architects & C16 Driven by cost of import & external factors Lack of expertise on prices from agent to grower.	Better promotion of expert advice. Small woodlands sites / farming Promote GB wood	**Professional marketing advice** **LTC commitments between PS grower and miller**
Price for the timber		Better management = better quality	**Additional funding for small woodlands to offset costs**
Suppressed prices	Multiple ownership means price is not the only objective		
Price - improve access - reduce harvesting costs - volatility	Price reduced in real terms Costs – Internal better infrastructure: Haulage costs high High cost of small woodlands management/harvesting costs	Explore potential of e-marketing	
Prices: £10/tonne extra for saw logs – pulp and we would not have a problem	Amenity value high Marketing poor at present	Tap into higher value added markets	

Partneriaeth Fusnes Coedwig Cymru
Wales Forest Business Partnership

SECTION 1 - ISSUE AREA 4. PRICE & PROFITABILITY - B

ISSUE	INSIGHTS	IDEAS	RECOMMENDATIONS
Price at mill gate	Predicting the market is difficult Fuel market – RPI linked Harvesting costs Market varies Grant aid Co-operatives guaranteeing supplies? FC funding market in past years depressed prices	Co-ops of small woodland owners. Guarantee supplies Lower FC prediction should help prong woodland owners sell higher value added products Added value timber Thin woodlands "at a loss if necessary" acting as maintenance of overall capital value of crop. Wood fuel will aid market competition. Mills to have LTC's with growers	**Continue thinning on the basis that it will be worth more (100%) at end of rotation.** **Investigate 'niche' markets to add value to timber products** **Grouping of suppliers to guarantee timber to markets**
Price: secure going forward			
Price v amenity value			
Product worth more standing than felled			
Past prices. No local outlets for timber			
Price (Timber value)			

SECTION 1 - ISSUE AREA 5. INFRASTRUCTURE & ACCESS

ISSUE	INSIGHTS	IDEAS	RECOMMENDATIONS
Access – awareness of grants	Planning PROW / CROW insurance, public liability Community consultation Anti social behaviour (fly tipping) Dirt tracks Public roads Infrastructure needs upgrading for newer machinery Third party having access ownership Multi skilled contractors – putting in tracks	Better woodland scheme 50% grants Information: WFBP – what's available Get planning teams more informed of issues Discuss mutual benefits for third party partners Develop civil engineering expertise for the private sector Simplified 'one stop shop' for information FC to provide advice on secure access	**Getting WFBP to draw together a 'one stop shop'** **WFBP to identify lead planning bodies** **Grant scheme to remain relevant. T.T.G.F to be reinvigorated**
Access to and from woodlands			
Accessing very small woodlands especially farm woodlands			
Access for harvesting			
Infrastructure for inaccessible timber			
Access: within woodlands and county road infrastructures (subsidise capital costs?)			
Physical access to woodlands: - in woods - to woods			

SECTION 1 - ISSUE AREA 6. QUALITY

ISSUE	INSIGHTS	IDEAS	RECOMMENDATIONS
Need for grower to think quality – quality – quality! Especially hardwoods Appropriate quality Grey squirrels	Good quality gives more market options Poor quality reduces opinions & value Quality timber comes from quality management It is possible to grow quality timber in Wales Consistence of growth and lack of knots is more important than ring spaling Total extermination of grey squirrels Wales has 1st class climate for spruce & Douglas fir CCF can be an excuse to do nothing	Grant aid should promote quality Timing of thinning improves quality Do not fund inappropriate CCF Increase added value by improving quality Quality enables opportunities for value recovery Appropriate species for appropriate sites Adapt designs to make use of poorer hardwoods Market in figured oak should be explored	**Grants should incentivise timber quality** **Ensure use of best generic material** **Exterminate grey squirrels**

SECTION 1 – ISSUE AREA 7. MARKETING – MAKE IT EASY FOR SMALL WOODLAND OWNERS

ISSUE	INSIGHTS	IDEAS	RECOMMENDATIONS
Small quantities – logistics Supplier/buyer logistics Co-operative marketing: help the small owner/producer Reliability of market Dossage – not just today but for a LTC – private sector	Not enough information on timber marketing – Awareness - of supplies (sawmills / contractors) - of markets and tax free benefits (owners)	Need for collaborative marketing (database of woods, volume, ownership) Coed Cymru (?) to set up and manage this data base Government agency joined-up advice "get woods managed" Joint FC / private LTC's / sales	**Awareness / promotion of opportunities for woodland owners** **Web database of timber for sale – round-wood and sawn** **Web database of timber wanted and work required** *(Ecolots doesn't work so why would this?)*

<u>SECTION I</u> - ISSUE AREA 8. MARKET INFORMATION

ISSUE	INSIGHTS	IDEAS	RECOMMENDATIONS
Uncertainty over supply statistics. What is really available?	Base data for PS forecast not substantiated Many owners don't have an advisor Owners need to be 'spoon-fed' Cost of advice – initial query Local markets are important Difficult to get critical mass to agree in co-operative Why is price such a big secret? Getting to the disconnected woodland owners!	Involve CLA? Validation of PS forecast Information exchange about market information: - Role for Woodknowledge Wales? Survey of woodland owners' intentions? Or even just owners I.D Web based solution to providing information Local clusters "everyone coming to it with what they want to do" Harvesting and marketing co-ordinator working for clusters	**Investigate formation of pilot marketing cluster by WFBP** **Use Woodknowledge to provide market information – WFBP** **Survey to validate assumptions in PS forecast – ConFor / WFBP**
Market information			
Advice and information – market and management			
Who has what? Who wants what? i.e. identifying markets			
Identifying markets and providing a market place			
Awareness of owner i.e. - markets - opportunities			

<u>SECTION I</u> - ISSUE AREA 9. CERTIFICATION

ISSUE	INSIGHTS	IDEAS	RECOMMENDATIONS
Cost and simplification of certification schemes	We need to address certification & chain of custody Owner should recognise that the customer may expect certification. It is the market norm. It may not be as onerous as people think Owners may shy away from bureaucracy (red or otherwise)	Look at grant aiding certification process We need the evidence to support the claim that customer demand is there. Pilot a scheme tailored for small woodland owners (Indir woods) Look at the viability of a local group certification scheme	**Market research. Customer demand & publicise ("Wood for Good" route?)** [possible activity for Woodsource and Woodknowledge Wales] **Persuade owners to participate** **Provide assistance to achieve greater take-up (say 2 year programme)**
Simplify certification (reduce cost)			
F.S.C. Why do we need this in UK as we are already regulated?			
Certification. Lack of support for whole chain			
Policy barrier e.g. certification			

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<u>SECTION 1</u> - ISSUE AREA 10. ADVICE & SUPPORT FOR OWNERS

<table>
<tr><th><u>ISSUE</u></th><th><u>INSIGHTS</u></th><th><u>IDEAS</u></th><th><u>RECOMMENDATIONS</u></th></tr>
<tr><td>Large numbers of small owners – problems of access, economics, knowledge etc.</td>
<td rowspan="6">Need co-op for contractors

No contractors – difficulty to market

Need for meaningful advice on:
- current / future trends
- practical

Break bureaucracy barrier

Diversification of business activities

BWW – grants for management plan

100-200Ha. Change management objective</td>
<td rowspan="6">Reg. network (sharing)

Greater professional support

Formulate a comprehensive database (www.) Including:
- contractors
- woodland markets
- expertise

Regional case studies
- recreational
- biodiversity
- game keeping

Extend “business support” to forestry / countryside.

Share knowledge of marketing products – added value</td>
<td rowspan="6">Woodknowledge projects

Welsh database. Web hyperlink from all web sites

Website.
- forest societies
- groups (promotion / advertising)
- case studies

More professional support;
- advice
- support
- guidance

(Focus on new revenue streams

Recognise that many owners have no forestry expertise)</td></tr>
<tr><td>Better clearer objectives</td></tr>
<tr><td>Raise the potential value of woodlands to owners</td></tr>
<tr><td>Different motivations of owners e.g. amenity, investment, <u>not</u> commercial</td></tr>
<tr><td>Scale (size of woods)</td></tr>
<tr><td>Variety of ownership objectives</td></tr>
</table>

Appendix I - Summary of Recommendations (above) from Groups

Action – FC Wales

1. Contractors	iii)	Long term, continuous training support
2. Regulation and Policy	i)	Influence woodland strategy review
	ii)	Evolve BWW to simplify approach for small woodlands
	iii)	Lighter touch for certified woodlands
3. Price and Profitability- Group A	iii)	Additional funding for small woods to offset costs
5. Infrastructure and Access	iii)	Grant scheme to remain relevant. T.T.G.F to be reinvigorated
6. Quality	i)	Grants should incentivise timber quality
	ii)	Ensure use of best genetic material
	iii)	Exterminate grey squirrels (Role for whom?)

Action WFBP

1. Contractors

i) Cooperative working and secure continuity

ii) Inclusion of small scale operations

3. Price and Profitability- Group A

i) Professional marketing advice

ii) LTC commitments between PS grower/Miller

4. Price and Profitability – Group B

i) Continue thinning on the basis that it will be worth more (100%) at end of rotation

ii) Investigate 'niche' markets to add value to timber products

iii) Grouping of suppliers to guarantee timber to markets

5. Infrastructure and Access

i) Getting W.F.B.P to draw together a 'one stop shop'

i) W.F.B.P to identify lead planning bodies (Role for whom?)

7. Marketing - make it easy for small woodland owners

i) Awareness / Promotion of opportunities for woodland owners

ii) Web database of timber for sale- round-wood and sawn

iii) Web database of timber wanted and work required

8. Market Information

i) Investigate formation of pilot marketing cluster by W.F.B.P

ii) Use wood knowledge to provide market information –W.F.B.P

iii) Survey to validate assumptions in PS forecast- ConFor/W.F.B.P

9. Certification

i) Market Research. Customer demand & publicise ("Wood for Good" route?)

ii) Persuade owners to participate

iii) Provide assistance to achieve greater take-up (say 2 year programme)

10. Advice & support for woodland owners

i) Woodknowledge Projects

ii) Welsh database. Web hyperlink from all web sites for Good" route?), Website, Forest societies, Groups (promotion / advertising), Case studies

iii) More professional support – advice, support, guidance

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Appendix I - Delegate Recommendations/Observations on Green Cards

Action FC Wales

√ (duplicates as outlined above)

- √ Modern apprenticeships in forestry need to be complemented by long term supported training elements
- **Encourage less rigidity in FC regulation e.g. simplify BWW for small woods and encourage large coupes in mid to large sized woods**
- √ Small contracting businesses need support from the public purse to manage small woodlands if the public wants small woodlands and their benefits e.g. impact on amenity
- **Woodland Strategy need to clearly distinguish between Forestry (growing timber) and amenity (growing woodland for landscape/recreation)**
- √ Modern apprenticeships for wire rope harvesting.

Action WFBP

√ (duplicates as outlined above)

- √ Use Wood knowledge Wales to share market information. Local clusters are a good idea
- **Concentration on owners of over 20 hectares would substantially reduce administrative costs. small woods under 2 hectares are unlikely to produce (sustainably) any appreciative quantity of timber**
- √ (Establish) database of private woodlands with details of timber available for contractors and sawmills to access supply.
- **Consider regional events to assist woodland owners, contractors, hauliers and saw mills on issues such as procedure and value of certification of woodlands, chain of custody etc. plus identification of markets for different types of timber.**
- √ From a saw-millers perspective would it be possible to compile a list of private woodland owners/growers who wish to sell/market their timber?
- **Persuade owners that getting timber on the market is good management. Good management = maximum value of woods in reducing carbon emissions.**

Action WFBP

- **Roger Cooper highlighted substantial income demand in future for fuel woods and SRW. How can we use this as a motivation for owners to bring their SRW to market?**
- **WFBP to lobby Woodland Strategy Review to raise the importance of economic aspects. Profitability underlines all aspects of woodlands- without it other benefits suffer.**
- **Measures have to be put in place that stabilises price and supports the high costs of managing woodlands less than 100ha.**

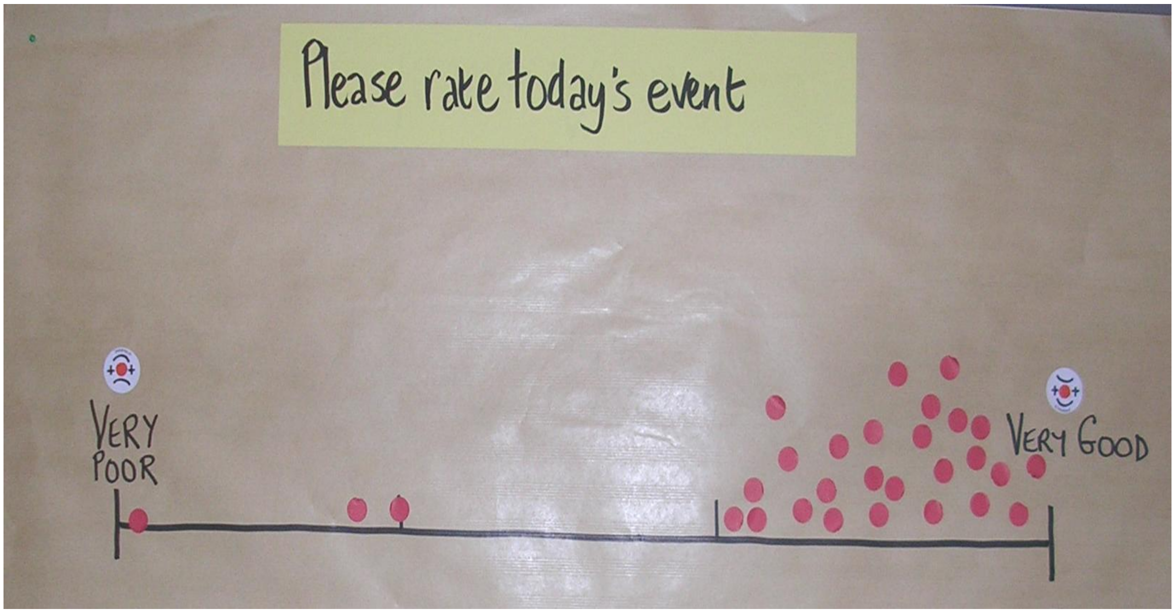
General Comments

- 'Small' woods = the individual wood area not the total area of ownership /estate (which may total 100 ha. for example.)
- Better education and marketing are fundamental in releasing private volume.
- WFBP must reflect/address the issues that are of direct interest/concern to the forestry/wood sector. This will require direct engagement with the sector.
- WFBP must prove its worth- otherwise it will be viewed as 'just another talking shop', paid for by the public purse.
- WFBP should be a catalyst for change and improvement
- BWW - improving quality does not mean planting 3/5 species. It's about planting good genotype at close spacing with good weeding and tending, and low levels of damage from squirrel extraction.
- As foresters we forgot (typically) to be inclusive of farmers- both as woodland owners and for diversity schemes.
- Think beyond pieces of timber in order to optimise returns from woodlands e.g. training and activities for disadvantaged and ordinary people, green weddings and significant occasions, concerts, sustainable living and training
- The harvest is there but the harvesters are few.

QA 26/2/07

Session Evaluation

At the close of the session, delegates were invited to indicate their rating of the event, using a red dot.



Comments from delegates on the event

- **Very lively meeting. Thank you!**
- **Background information on main speakers/panel members would have been helpful for those who did not already know about them– especially their experience and qualifications. But a very good exercise.**
- **A good start to effective communication– there is much to be done. There seems to be a willingness to work together– all can benefit.**
- **It is important to keep today's delegates informed of next steps and progress.**
- **I don't think the panel quite took on board what was the feeling of both the tables I was on re quality. We felt it is a vital ingredient of sustainable forest management.**
- **We need action not words!**
- **An awful event working over old ideas and ignoring much of what has changed in the last 20 years.**
- **Good conference organisation and facilitation.**
- **A very helpful conference.**
- **I hope you will use the information positively to the benefit of he industry and remember that small woods do count!**
- **How will all the recommendations be taken forward?**
- **Extremely useful to 'bounce' ideas round not restricted to one's own 'area of experience'.**
- **A very useful meeting to have growers and processors in the same room talking!**