

# UNECE Forestry & Timber Market Report for Ireland 2013

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## 1.0 Irish economy-an overview

### 1.1 2011-2012

Ireland is a small, open economy, highly dependent on trade. In 2012, the economy returned to growth. Real GDP grew by 0.2%, the second successive year of growth. Recovery was once again led by the exporting sectors, with services exports the main engine. Domestic demand stabilised in the second half of the year, with signs of a modest improvement in the labour market visible from mid-year onwards<sup>1,2</sup>.

Although exports grew by 1.6% in volume in 2012, the pace of growth slowed over the course of the year. In particular, exports contracted for the first time since 2009, due to both the general slowdown in Ireland's trading partners as well as product-specific developments, most notably in the pharmaceutical, bio-pharmaceutical and chemical sectors. By contrast, services exports performed strongly in 2012, growing by 8.9%, led by increased exports of business and information technology (IT) services.

A recent report by the Economic and Social Research Institute (ESRI)<sup>1</sup> shows that:

- At market prices, Gross Domestic Product (GDP) was €163 billion, and grew in volume by 0.2% over 2011.
- Over the same period, Gross National Product (GNP), increased by 1.8%.
- The domestic economy has remained constrained by high unemployment, falling Government spending and a sharp fall in investment.
- Real export growth has fallen from 6.4% and 5.3% in 2010 and 2011 respectively, to 1.6% in 2012.
- Weakness in the domestic economy during 2012 is reflected in the fact that the volume of imports of goods and services was unchanged on 2011.
- Exports performed strongly in 2012, growing by 5.9% in value and 1.6% in volume over 2011.
- In 2012, the output of the construction sector was estimated to be in the region of 6.4% of GNP, down from the 2006/7 peak of 25% of GNP.
- Investment in housing continued to decline, down by over 21% in volume in 2012 over 2011.
- The number of house completions fell to 8,488, a 19% decline on 2011.
- At year end, the Irish rate of unemployment stood at 14.7% up slightly from 14.6% in 2011. Around 330,000 jobs have been lost since employment peaked in the second half of 2007, with the construction, retail and manufacturing sectors particularly hard hit. The construction sector has accounted for around half of the total jobs lost<sup>3</sup>.
- Inflation as measured by the Consumer Price Index (CPI) was 1.7% for 2012.
- Personal consumption, which accounts for nearly two thirds of domestic demand, fell by 0.3% while Government expenditure was 3.7% down on 2011.

### 1.2 2013-2014

The Government's primary macroeconomic policy objective is to put the economy back on a sustainable growth path so as to move to a point where sustained net employment creation is taking place<sup>3,4,5</sup>.

A recent report by the Economic and Social Research Institute (ESRI)<sup>1</sup> estimates that:

- The Government's National Recovery Plan<sup>6</sup> targets a total adjustment of €15bn over four years with the objective of reducing the annual deficit to less than 3% of GDP by 2014<sup>7</sup>. Of the €15bn, some €10bn will come from expenditure cuts and €5bn from tax increases.
- If these targets are achieved, the debt/GDP ratio will peak at 108% in 2013 before beginning a downward trajectory thereafter.
- It is forecast that GDP will grow by 0.5% in 2013 and 2.6% in 2014.

<sup>1</sup> [http://www.esri.ie/\\_uuid/afcb2cfe-2615-4970-8470-a3ef641ad763/index.xml?id=3832](http://www.esri.ie/_uuid/afcb2cfe-2615-4970-8470-a3ef641ad763/index.xml?id=3832)

<sup>2</sup> <http://www.finance.gov.ie/documents/publications/reports/2013/spufin2013.pdf>

<sup>3</sup> <http://www.finance.gov.ie/documents/publications/reports/2013/spufin2013.pdf>

<sup>4</sup> <http://www.esri.ie/UserFiles/publications/QEC2013AUT.pdf>

<sup>5</sup> <http://www.finance.gov.ie/documents/publications/reports/2013/spufin2013.pdf>

<sup>6</sup> <http://www.budget.gov.ie/The%20National%20Recovery%20Plan%202011-2014.pdf>

<sup>7</sup> <http://www.davy.ie/content/pubarticles/nationalplan20101125.pdf>

- For 2014 and over the medium term, the pace of economic expansion is projected to strengthen. This is based on the assumption of a continued modest recovery in domestic demand and an improvement in the economic activity in key export markets.
- In February 2013, the European Commission revised downwards its projections for GDP growth in the euro area and the US, and maintained a relatively weak forecast for the UK. Weighted by their share in Irish exports, GDP in Ireland's key trading partners is now projected to increase by 0.6% in 2013 and by 1.7% for 2014.
- It is expected that the volume of exports of goods and services will increase by 1.2% in 2013 and by 6.4% in 2014.
- Investment in building and construction is forecast to remain broadly unchanged in 2013.
- On the basis of house completion, planning permission and commencement data it seems likely that investment in housing will remain subdued in 2013. A 5.7% reduction in residential investment is forecast for 2013.
- Any significant recovery in the housing market and in the construction sector is not expected until 2015, or even later in the decade.
  - While the labour market situation remains challenging, signs of stabilisation have become evident since the mid-part of 2012.
  - Since the third quarter of 2012, Ireland has seen three consecutive quarters where employment has grown, quarter-on-quarter, by around 0.5%. This would imply an employment growth for 2013 of 2%.
  - Over this period, the agriculture, forestry and fishing sectors have shown the largest increases in employment.
- The rate of unemployment is set to decline to 13.6% in 2013 and 13.1% in 2014.
- Private consumer expenditure is forecast to rise by 1.1% in 2013 and 3.0% in 2014.
- Inflation as measured by the CPI is forecast to increase by 0.7% in 2013 and 1.5% in 2014.
- The actual and expected growth in the GDP of Ireland's export markets is shown in Table 1.

Table 1: Actual and estimated GDP growth in key markets (2012-2014).

	2012	2013	2014
	% change		
World (excluding EU)	3.9	4.0	4.5
United States	2.2	1.9	2.6
Euro area	-0.6	-0.3	1.4
United Kingdom	0.0	0.9	1.9

## 2.0 Market drivers

### 2.1 Construction activity

The demand for forest products is closely related to the level of house building, to timber frame use and to demand in key export markets<sup>8</sup>. In Ireland, the level of residential house completions has steeply declined since 2006<sup>9,10</sup>.

Overall, the Irish construction sector remains in an exceptionally weak phase. Having peaked at close to €39 billion or almost 25% of GNP in 2006, the ensuing adjustment has led to the value of output falling to €8.1 billion in 2012, or 6.1% of GNP. The preliminary assessment for 2013 is for a further decline in the volume of output of 6.6% as all sectors are expected to be weaker in 2013, apart from some very modest improvement in the output related to private non-residential construction, albeit from a very low base<sup>11</sup>.

<sup>8</sup> <http://www.coillte.ie/fileadmin/templates/pdfs/BaconReport.pdf>

<sup>9</sup> [http://www.environ.ie/en/PublicationsDocuments/FileDownload\\_20136.en.pdf](http://www.environ.ie/en/PublicationsDocuments/FileDownload_20136.en.pdf)

<sup>10</sup> <http://www.cso.ie/en/releasesandpublications/er/pbci/productioninbuildingandconstructionindexquarter42012/#.UpjuDcRFCKE>

<sup>11</sup> <http://www.dkm.ie/uploads/pdf/reports/Irish%20Construction%20Industry%20in%202012%20DKM%20SCSI.pdf>

Based on a comparison with the size of the construction industry in other countries, it is considered that an economy the size of Ireland should be capable of sustaining a construction industry equivalent to around 12% of GNP (10% of GDP) over the medium-term, without the negative repercussions associated with previous periods of overbuilding. This would imply an industry with an output of €15 billion<sup>12, 13</sup>.

However, there are some positive developments which are likely to create niche opportunities for construction. These include the energy sector, where the semi-State companies have encouraging capital investment plans; and the emerging green economy and associated opportunities for the retro-fitting of homes. The Government has committed to achieving, by 2020, a 20% reduction in energy demand across the whole of the economy through energy efficiency measures. It is expected that the residential sector will contribute 35% of the targeted savings, thus generating opportunities for improving the energy efficiency of the residential building stock.

### 2.1.1 Irish housing output

The Irish housing market continues to stagnate. In 2012, house completions declined by 19% over 2011. Data released by the Central Statistics Office indicate 4,000 house starts and 8,488 house completions for 2012, less than a tenth of the annual total at the peak of the construction boom. 88.3% of these were houses with 11.7% of housing output being apartments. The majority of residential activity is in the one-off house category<sup>14</sup>. The public-sector housing capital spend has been largely restricted to Limerick and Dublin city regeneration projects and repairs, maintenance and improvement of existing stock across the Local Authorities.

Continued uncertainty about prices, combined with a desire to see a sustained stabilisation before people enter the market means that housing demand is likely to remain weak in 2013<sup>15</sup>. A continuation of very low building rates is foreseen to continue through 2015. The actual and forecast output of the residential housing sector for the period 1990-2015 is shown in Table 2<sup>16</sup>.

Table 2: Actual and forecast house completions in the Republic of Ireland (1990-2015f).

	House completions	Growth rate 1990 = 100		House completions	Growth rate 1990 = 100
1990	19,539	100.00	2006	68,819	352.21
1991	19,652	100.58	2004	76,954	393.85
1992	22,464	114.97	2005	80,957	414.34
1993	21,391	109.48	2006	93,419	478.12
1994	26,863	137.48	2007	78,027	399.34
1995	30,575	156.48	2008	51,724	264.72
1996	33,725	172.60	2009	26,420	135.22
1997	38,842	198.79	2010	14,602	74.73
1998	42,349	216.74	2011	10,480	53.63
1999	46,512	238.05	2012	8,488	43.44
2000	49,812	254.94	2013f <sup>17,18</sup>	4,000	20.47
2001	52,602	269.22	2014f	5,500	28.15
2002	57,695	295.28	2015f	7,500	38.38

### 2.1.2 Repair, Maintenance and Improvement (RMI)

In 2012, the total housing RMI market was worth an estimated €1.91 billion, a reduction of 14.5% over 2011 (Table 3). This includes investment by households in major housing improvements and minor housing repair works, as well as public sector investment in the refurbishment of the public housing stock<sup>19</sup>.

<sup>12</sup> <http://www.dkm.ie/uploads/pdf/reports/Irish%20Construction%20Industry%20in%202012%20DKM%20SCSL.pdf>

<sup>13</sup> [http://www.forfas.ie/media/25072013-Irelands\\_Construction\\_Sector\\_Outlook\\_and\\_Strategic\\_Plan\\_to\\_2015-Press-Release.pdf](http://www.forfas.ie/media/25072013-Irelands_Construction_Sector_Outlook_and_Strategic_Plan_to_2015-Press-Release.pdf)

<sup>14</sup> In 2012, over 60% of the houses built, 5,162 were individual units; [www.cso.ie](http://www.cso.ie)

<sup>15</sup> <http://www.esri.ie/UserFiles/publications/QEC2012SUM.pdf>

<sup>16</sup> <http://www.cso.ie/px/Doehlg/Database/DoEHLG/Housing%20Statistics/Housing%20Statistics.asp>

<sup>17</sup> [http://www.forfas.ie/media/25072013-Irelands\\_Construction\\_Sector\\_Outlook\\_and\\_Strategic\\_Plan\\_to\\_2015-Press-Release.pdf](http://www.forfas.ie/media/25072013-Irelands_Construction_Sector_Outlook_and_Strategic_Plan_to_2015-Press-Release.pdf)

<sup>18</sup> f: forecast

<sup>19</sup> [http://www.forfas.ie/media/19072013-Irelands\\_Construction\\_Sector-Publication.pdf](http://www.forfas.ie/media/19072013-Irelands_Construction_Sector-Publication.pdf)

Table 3: Output of the Repair, Maintenance and Improvement (RMI) sector (2010-2012).

	Value in billion €	% change year on year
2010	2.81	
2011	2.24	-20.9
2012	1.91	-14.5

### 2.1.3 Construction inflation

In 2012, the wholesale price index for building materials showed a 2.5% increase on 2011 (Table 4)<sup>20</sup>.

Table 4: Wholesale price index for building materials (2005-2012).

	2007	2008	2009	2010	2011	2012
Index 2005 = 100	141.5	147.1	141.6	116.6	119.6	122.6
% change year on year		4.0	-3.7	-17.7	2.6	2.5

## 2.2 UK construction market

The UK construction market is the key export outlet for forest products manufactured in Ireland. In 2012, house starts and completions declined by 4.2% and 1.7% over 2011 (Table 5)<sup>21,22</sup>. Moreover, UK construction output is forecast to fall further in 2013<sup>23</sup>.

Table 5: House starts and completions in the UK (1998-2012).

	Starts	1998 = 100	Completions	1998 = 100
1998	186,720		178,290	
1999	192,910	1.03	184,010	1.03
2000	183,480	0.98	175,370	0.98
2001	194,140	1.04	174,200	0.98
2002	197,110	1.06	183,210	1.03
2003	213,250	1.14	190,590	1.07
2004	225,050	1.21	206,620	1.16
2005	233,890	1.25	214,010	1.20
2006	222,620	1.19	219,070	1.23
2007	219,020	1.17	218,540	1.23
2008	118,870	0.64	178,850	1.00
2009	124,460	0.67	153,190	0.86
2010	139,430	0.75	140,790	0.79
2011	129,878	0.70	146,470	0.82
2012	124,410	0.67	143,590	0.81

### 2.2.1 The UK market for forest products

The UK is a significant importer of sawn timber and wood-based panel products. In 2012, 5.1 million cubic metres of sawn timber products were imported into the UK. However, in volume terms, the size of this market has declined by 39% over the period 2005-2012. Over the same period, wood-based panel imports into the UK declined by 31% (Table 6)<sup>24,25,26,27</sup>.

<sup>20</sup> [www.cso.ie](http://www.cso.ie)

<sup>21</sup> <https://www.gov.uk/government/statistical-data-sets/live-tables-on-house-building>

<sup>22</sup> <http://www.statistics.gov.uk/hub/people-places/housing-and-households/housing-stock>

<sup>23</sup> [http://www.aecom.com/deployedfiles/Internet/Geographies/Europe/Document%20Library/Review\\_2013.pdf](http://www.aecom.com/deployedfiles/Internet/Geographies/Europe/Document%20Library/Review_2013.pdf)

<sup>24</sup> [http://www.forestry.gov.uk/pdf/trprod10.pdf/\\$FILE/trprod10.pdf](http://www.forestry.gov.uk/pdf/trprod10.pdf/$FILE/trprod10.pdf)

<sup>25</sup> [http://www.forestry.gov.uk/pdf/trprod11.pdf/\\$file/trprod11.pdf](http://www.forestry.gov.uk/pdf/trprod11.pdf/$file/trprod11.pdf)

<sup>26</sup> <http://www.forestry.gov.uk/forestry/infd-97hdh2>

<sup>27</sup> [http://www.forestry.gov.uk/pdf/trprod12.pdf/\\$FILE/trprod12.pdf](http://www.forestry.gov.uk/pdf/trprod12.pdf/$FILE/trprod12.pdf)



In 2012, the key suppliers of forest products to the UK were<sup>28,29</sup>;

- Sweden (48%), Finland (13%) and Latvia (12%) provided the majority of imports of sawn softwood to the UK.
- Most particleboard imports to the UK came from Germany (27%), France (22%) and Ireland (20%).
- Ireland (36%), Germany (22%) and Spain (11%) were the principal sources of fibreboard imports.
- Most paper and paperboard imports came from Sweden (19%), Germany (19%) and Finland (14%).

Irish sawmills and timber processors have invested heavily in technology and innovation which has led to significant expansion in the UK market in recent years. The key exporters of sawn softwood timber to the UK for the period 2007-2012 are shown in Table 7<sup>30</sup>.

Table 6: UK imports of sawn timber and panel products (2005-2012).

	Sawn timber	Wood-based panels	Total
	000 m <sup>3</sup>		
2005	8,341	3,939	12,280
2006	7,963	3,959	11,922
2007	8,469	3,858	12,327
2008	5,886	3,389	9,275
2009	5,240	2,500	7,740
2010	5,699	2,701	8,400
2011	4,925	2,827	7,752
2012	5,100	2,700	7,800

Table 7: Key exporters of sawn softwood timber to the UK by value and year (2007-2012).

Exporter	2007	2008	2009	2010	2011	2012
	€ million					
Sweden	629.64	452.99	441.00	486.06	453.89	513.83
Finland	299.35	165.42	118.80	143.92	135.72	140.32
Latvia	215.55	97.93	78.21	141.27	123.76	124.41
Germany	164.23	85.37	46.92	92.00	61.28	58.85
Russian Federation	156.62	68.70	44.93	65.96	54.22	51.14
Ireland	56.55	40.25	37.42	70.76	54.39	67.74
Austria	47.27	21.85	4.10	7.05	5.10	3.87
Estonia	44.94	17.74	5.78	19.33	15.27	16.74
Lithuania	22.49	4.81	3.50	6.88	5.90	4.07
Belgium & Luxembourg	17.08	7.92	6.07	4.92	7.39	3.36
Norway	8.40	4.35	7.48	8.80	7.93	8.10
Poland	7.24	2.36	1.65	2.83	1.79	2.07
Netherlands	3.32	4.25	1.57	1.11	0.82	3.31
France	2.47	1.86	1.18	0.68	0.34	0.77
Other	5.00	4.42	11.56	7.50	59.53	40.00
Total	1,680.15	980.22	810.17	1,059.07	987.33	1,038.58
% Ireland	3.37%	4.11%	4.62%	6.68%	5.51%	6.52%

<sup>28</sup> <http://www.forestry.gov.uk/website/forstats2012.nsf/LUContents/45A4416DC7F75A9D8025735600334221>

<sup>29</sup> <http://www.forestry.gov.uk/website/forstats2013.nsf/LUContents/45A4416DC7F75A9D8025735600334221>

<sup>30</sup> Source: Eurostat; [epp.eurostat.ec.europa.eu](http://epp.eurostat.ec.europa.eu)

It is important to note that in value terms, Ireland's market share of the UK market grew from 3.37% in 2007 to 6.52% in 2012. This is an impressive increase of 94% over a 5-year period. Moreover, in 2012, the Republic of Ireland was the fourth largest exporter of sawn softwood timber to the UK. There are further opportunities for the Irish sawmilling sector to grow its market share in the UK.

In 2012, Ireland was the largest exporter of fibreboard including medium density fibreboard (MDF) to the UK (Table 8). Over the same period, Ireland was the third largest exporter of particleboard including oriented strand board (OSB) to the UK. The reduction in particleboard exports from Ireland to the UK was in part caused by the closure in 2011 by Finsa Forest Products Ltd of its particleboard plant at Scariff, Co Clare.

Table 8: Ireland's share of the UK forest products market by product type (2011-2012).

Product	Market share % by volume	
	2011	2012
Sawn softwood	6	7
Particleboard including OSB	24	20
Fibreboard including MDF	36	36

### 2.3 €/\$ Exchange rate

Historic movements in the €/\$ exchange rate are shown in Table 9. A recent forecast by the Royal Bank of Scotland Group (RBS) estimates that by the first quarter of 2015, Sterling will have appreciated in value by 5% against the Euro (Table 9)<sup>31,32</sup>.

Table 9: Historic & forecasted €/\$ exchange rates by quarter (2011-2015).

Historic	€/£	£/€	Forecast	€/£	£/€
2011-Q1	1.13	0.88	2013-Q4	1.23	0.81
2011-Q2	1.11	0.90	2014-Q1	1.24	0.81
2011-Q3	1.15	0.87	2014-Q2	1.24	0.81
2011-Q4	1.20	0.84	2014-Q3	1.25	0.80
2012-Q1	1.20	0.84	2014-Q4	1.25	0.80
2012-Q2	1.24	0.81	2015-Q1	1.26	0.79
2012-Q3	1.25	0.80	2015-Q2	1.26	0.79
2012-Q4	1.23	0.82	2015-Q3	1.26	0.79
2013-Q1	1.18	0.85	2015-Q4	1.26	0.79
2013-Q2	1.17	0.86			
2013-Q3	1.20	0.84			

### 2.4 Demographics

Population statistics for the year to April 2013 show there are an increasing number of Irish nationals leaving the country. Of those who emigrated, 50,900 were Irish nationals in the year to April, up from 46,500 in the year to April 2012. Total emigration (including that of other nationalities) was 89,000 over the year to April, up slightly from 87,100 the previous year<sup>33</sup>.

In the year to April 2013 there were 55,900 immigrants, up modestly from 52,700 a year earlier. Net emigration was similar in magnitude to the year ending in April 2012.

<sup>31</sup> <https://www.ecb.europa.eu/stats/exchange/eurofxref/html/eurofxref-graph-gbp.en.html>

<sup>32</sup> <http://www.rbs.com/news/2013/06/interest-exchange-rate-forecast.html>

<sup>33</sup> <http://www.esri.ie/UserFiles/publications/QEC2013AUT.pdf>

### 3.0 Policy measures

The following policy measures influence the Irish forest & forest products sector.

#### 3.1 Research, Technological Development & Innovation (RTDI)<sup>34,35</sup>

In 2011, RTDI/Research spending within the Irish forest products sector averaged 2%. The changes in RTDI policies that will affect the Irish forest and forest products sector include.

- The newly established Irish Energy Research Council will advise on priorities for Irish energy research to 2013 and for the longer term. The Council will coordinate existing energy Research Technological Development and Innovation (RTDI) activities and provide analysis and advice<sup>36</sup>.
- Environment Research Sub-Programme
  - Some €93 million will be invested in environmental research over the period 2007 to 2013.

#### 3.2 Forest research

The Irish forest research programme is managed by the Research Division of the Department of Agriculture, Food and the Marine (DAFM). The COFORD Council (an advisory body consisting of representatives from the forest sector) advises the Department regarding the scope of forest research and provides advice to DAFM on issues including roundwood demand and supply.

In 2012/2013, the COFORD Council established four working groups to address the following areas:

- Update the national forest research strategy.
- Examine land availability and constraints and incentives to achieving afforestation.
- Develop a national forest management planning system.
- Improve the mobilisation of wood supply and review the national roundwood production forecast.

Work on the development of the Strategic Research Agenda (SRA) is expected to be finalised in 2013. The SRA will guide and inform future forest research calls under the Department of Agriculture, Food and the Marine competitive research funding programme<sup>37,38</sup>. The remaining groups are to report over the course of 2013 and 2014.

In November 2013, the Minister for Agriculture, Food and the Marine, Simon Coveney, TD, announced award's of over €26m for agri-food and forestry collaborative research projects being undertaken by researchers from institutions across the island of Ireland<sup>39</sup>. Forestry research, run under the COFORD research secured a budget of €1.64 million. The areas being researched include:

- Evaluation and refinement of timber forecasting tools using National Forest Inventory (NFI);
- Avian diversity and afforestation planning tools;
- Impacts of forest clear-felling on Kerry slug (*Geomalacus maculosus*) populations with the development of mitigation measures based on preferred diet of the species;
- Developing a Geographic Information System (GIS) based on agreed routes map for sustainable timber transport in Ireland and on the mobile App "Route Tagger" and
- Biomass and renewable energy from short rotation forestry

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<sup>34</sup> Enterprise Ireland; [www.enterprise-ireland.com](http://www.enterprise-ireland.com)

<sup>35</sup> Ireland National Development Plan (NDP; 2007-2013); Government Publications, Dublin, Ireland; [www.ndp.ie/viewdoc.asp?fn=/documents/NDP2007-2013/NDP-2007-2013-English.pdf](http://www.ndp.ie/viewdoc.asp?fn=/documents/NDP2007-2013/NDP-2007-2013-English.pdf)

<sup>36</sup> <http://www.dcenr.gov.ie/Energy/Office+of+the+Chief+Technical+Advisor/Irish+Energy+Research+Council.htm>

<sup>37</sup> <http://www.agriculture.gov.ie/media/migration/research/call2013/DAFMResearchCall2013InfoSeminarPresent180413.pdf>

<sup>38</sup> <http://www.agriculture.gov.ie/media/migration/forestry/publicconsultation/forestpolicyreview/ForestPolicyReviewpublicconsult21Jun2013.pdf>

<sup>39</sup> <http://www.agriculture.gov.ie/press/pressreleases/2013/november/title.72777.en.html>

### 3.3 Support for afforestation

#### 3.3.1 Afforestation grants and premiums

Afforestation grant and premium schemes provide a package to encourage the planting of new forests by compensating forest owners for the costs of forest establishment and for the income foregone during the maturation of the timber crop. The schemes provide planting and establishment grants as well as annual premiums for new afforestation. The scheme is open to farmers and non-farmers. Forests established under this scheme must meet full silvicultural standards and be managed as a commercial crop for the realisation of a profit<sup>40,41,42</sup>.

In 2012, annual expenditure on forestry support schemes amounted to €111 million. The budget allocation for forestry for 2013 and for 2014 allows for 7,000 ha of new planting under the Afforestation, Native Woodland and FEPS Schemes, along with funding for support schemes (Table 10)<sup>43,44</sup>.

Table 10: Annual expenditure on forestry schemes (2005-2014).

	Forestry support schemes	Premiums	Afforestation	Total
	€ million			
2005	13.8	58.1	38.9	110.8
2006	17.4	60.0	33.6	111.0
2007	13.9	71.6	31.6	117.1
2008	12.0	74.3	29.4	115.7
2009	8.7	70.5	31.8	111.0
2010	6.6	72.3	35.5	114.4
2011				114.5
2012				111.0
2013				116.0
2014				105.0

#### 3.3.2 Native Woodland Scheme

The Native Woodland Scheme<sup>45</sup> is aimed at protecting and expanding Ireland's native woodland resource and associated biodiversity. The Native Woodland Scheme is a key biodiversity measure within Ireland's national forest policy. It also supports a wide range of other benefits and functions arising from native woodlands, relating to landscape, cultural heritage, wood and non-wood products and services, the practice of traditional woodland management techniques, environmental education, and carbon sequestration. There are two elements under the scheme, each with its own grant levels and premiums.

#### 3.3.3 Forest Roads Scheme

The forest roads scheme provides grant-aid to forest owners to improve access to forests and facilitate thinning. There is a once off payment of 80% of eligible costs to a maximum of €35/linear metre payable on satisfactory completion of the project<sup>46</sup>.

<sup>40</sup> [http://www.teagasc.ie/forestry/financial\\_info/afforestation\\_grant\\_rates.asp](http://www.teagasc.ie/forestry/financial_info/afforestation_grant_rates.asp)

<sup>41</sup> [http://www.teagasc.ie/forestry/docs/financial\\_info/AfforestationScheme2007\\_T&C.pdf](http://www.teagasc.ie/forestry/docs/financial_info/AfforestationScheme2007_T&C.pdf)

<sup>42</sup> [http://www.teagasc.ie/forestry/docs/financial\\_info/forestrygrantrates\\_2009.pdf](http://www.teagasc.ie/forestry/docs/financial_info/forestrygrantrates_2009.pdf)

<sup>43</sup> [www.teagasc.ie/forestry/docs/advice/Teagasc\\_Situation\\_Outlook\\_Forestry\\_2012.pdf](http://www.teagasc.ie/forestry/docs/advice/Teagasc_Situation_Outlook_Forestry_2012.pdf)

<sup>44</sup> <http://www.merriestreet.ie/index.php/2012/12/mcentee-welcomes-the-2013-budget-provision-for-forestry-horticulture-and-greyhound-sectors/>

<sup>45</sup> <http://www.agriculture.gov.ie/media/migration/forestry/publications/nativewoodlandschememanual/NativeWoodlandSchemeManual2008060911.pdf>

<sup>46</sup> <http://www.agriculture.gov.ie/press/pressreleases/2012/january/title.60877.en.html>

## 3.4 Energy policy and support measures

### 3.4.1 Strategy for Renewable Energy (2012-2020)

In May 2012, a Strategy for Renewable Energy (2012-2020)<sup>47</sup> was published by the Department of Communications, Energy and Natural Resources (DCENR)<sup>48</sup>. This document sets out five strategic goals – increasing on and offshore wind, building a sustainable bioenergy sector, fostering R&D in renewables such as wave & tidal, growing sustainable transport and building out robust and efficient networks.

This strategy document states that ‘Ireland’s national bioenergy resources (including forestry, energy crops and biofuels) need to be developed and supported through a cohesive approach which addresses the supply side as well as the demand side issues. The recently announced REFIT III scheme for biomass technologies marks an important step in providing certainty for the sector’. It also states that ‘the sustainable growth of biomass/biofuel use in the heat sector as well as in power generation and transport will be underpinned by a comprehensive National Bioenergy Strategy this year’.

The areas where this strategy which affect the wood biomass sector are outlined below.

#### ***Renewable heat (RES-H)***

The Government has set a target of 12% renewable heat by 2020. The related programmes and supports are designed to support the achievement of this target. For historical, geographical and demographic reasons, renewable heat poses considerable challenges for Ireland.

#### ***Renewable electricity (RES-E)***

The Government has set a target of 40% electricity consumption from renewable sources by 2020. In the last five years in particular, Ireland has made strides in accelerating renewable generation (RES-E). In the 2001 European RES-E Directive, Ireland was set a target of moving from 3.6% RES-E to 13.2% RES-E by 2010. Ireland achieved 14.4% RES-E in 2009 and is on track to exceed the national target of 15% in 2010.

The main support scheme for RES-E is REFIT (Renewable Energy Feed-In Tariff)<sup>49</sup>. As of 27/2/2012, REFIT III, the newest REFIT scheme was made available. This scheme is outlined below.

#### ***Renewable Energy Feed-In Tariff (REFIT)***

The REFIT<sup>50</sup> scheme provides support to renewable energy projects over a 15-year period. The new support mechanism differ from the previous programme in that it operates as a fixed feed-in tariff mechanism rather than as a competitive tendering process. Applicants to REFIT must have planning permission and a grid connection offer for their project

In May 2010, REFIT III, a revised set of tariffs for biomass combustion, anaerobic digestion (AD) and biomass fuelled combined heat and power (CHP) were announced by the Department of Communications, Energy and Natural Resources (DCENR). REFIT for biomass technologies, (REFIT III), is designed to support, for the first time, a range of technologies including Combined Heat and Power (CHP) and Anaerobic Digestion (AD) as well as for co-firing of biomass in peat power plants (Table 11).

Applications for entry to the REFIT III scheme opened on 27/2/2012. This scheme is designed to incentivise the addition of 310MW of renewable electricity capacity to the Irish grid. Of this, 150MW will be high efficiency CHP (HE CHP), using both anaerobic digestion (AD) and the thermo-chemical conversion of solid biomass, while 160MW will be reserved for biomass combustion and biomass co-firing. The support for any particular project cannot exceed 15 years and may not extend beyond 31/12/2030<sup>51</sup>.

REFIT III will also provide supports for the co-firing of biomass with peat at the peat plant at Edenderry and potentially in future, subject to technical acceptance, at Lanesborough and Shannonbridge.

REFIT offers the opportunity to expand the market for forest based biomass, particularly in light of projected increases in private forestry supply.

<sup>47</sup> [http://www.dcenr.gov.ie/NR/rdonlyres/9472D68A-40F4-41B8-B8FD-F5F788D4207A/0/RenewableEnergyStrategy2012\\_2020.pdf](http://www.dcenr.gov.ie/NR/rdonlyres/9472D68A-40F4-41B8-B8FD-F5F788D4207A/0/RenewableEnergyStrategy2012_2020.pdf)

<sup>48</sup> <http://www.dcenr.gov.ie/>

<sup>49</sup>

<http://www.dcenr.gov.ie/Energy/Sustainable+and+Renewable+Energy+Division/Electricity+from+Renewables+inc+REFIT+and+AE+R.htm>

<sup>50</sup> [ec.europa.eu/energy/energy\\_policy/doc/.../renewables\\_ie\\_en.pdf](http://ec.europa.eu/energy/energy_policy/doc/.../renewables_ie_en.pdf)

<sup>51</sup> <http://www.dcenr.gov.ie/NR/rdonlyres/05441877-FC28-4A6C-8F5F-0EEAC8271DDF/0/REFIT3TermsandConditionsAugust2012.pdf>

Table 11: REFIT III tariffs under the new SEAI CHP/AD CHP schemes.

	REFIT tariff €/MWh <sup>52</sup>
AD CHP ≤500 kW	150
AD CHP >500 kW	130
AD (non CHP) ≤500kW	110
AD (non CHP) >500kW	100
Biomass CHP ≤1500kW	140
Biomass CHP >1,500kW	120
Biomass combustion, using energy crops	95
Biomass combustion using all other biomass	85

### 3.4.2 Energy Performance of Buildings Directive (EPBD)

Since January 2007, in line with the European Commission's Energy Performance of Buildings Directive<sup>53</sup> (Directive 2002/91/EC)<sup>54</sup>, the energy efficiency of all new houses and apartments in the Republic of Ireland is assessed and certified by a registered building energy rating (BER) assessor. From 2009, this scheme has been extended for existing dwellings, when they are offered for sale or lease. The BER provides information on the dwelling's energy performance and can be used to demonstrate improvements in energy efficiency over time<sup>55</sup>.

## 3.5 National renewable energy targets

Ireland's national renewable energy targets are shown in Table 12<sup>56</sup>.

Table 12: Renewable energy targets to 2020 by type.

	2015	2016	2017	2018	2019	2020
	%					
Renewable heat (RES-H)	8	9	10	10	11	12
Renewable electricity (RES-E)	34	36	38	40	42	44
Renewable transport (RES-T)	7	7	9	9	10	11
Overall RES	12	12	13	14	15	16

## 3.6 Meeting national renewable energy targets

Ireland's progress towards meeting its biomass energy targets is shown in Tables 13-14<sup>57</sup>.

Table 13: Progress towards meeting Ireland's renewable energy targets.

Target	2010	2011	2012	2020
% of each target				
RES-E normalised	14.9	17.6	19.6	40
RES-T	2.6	3.6	3.8	10
RES-H	4.3	4.7	5.2	12
Directive (2009/29/EC)	5.5	6.4	7.1	16

<sup>52</sup> WWh: Megawatt hour.

<sup>53</sup> [www.sei.ie/epbd/](http://www.sei.ie/epbd/)

<sup>54</sup> [ec.europa.eu/energy/efficiency/buildings/buildings\\_en.htm](http://ec.europa.eu/energy/efficiency/buildings/buildings_en.htm)

<sup>55</sup> [http://www.dcenr.gov.ie/NR/rdonlyres/FC3D76AF-7FF1-483F-81CD-52DCB0C73097/0/NEEAP\\_full\\_launch\\_report.pdf](http://www.dcenr.gov.ie/NR/rdonlyres/FC3D76AF-7FF1-483F-81CD-52DCB0C73097/0/NEEAP_full_launch_report.pdf)

<sup>56</sup> [http://www.mnag.ie/workshop\\_2010\\_7\\_2172276902.pdf](http://www.mnag.ie/workshop_2010_7_2172276902.pdf)

<sup>57</sup> [www.seai.ie](http://www.seai.ie)

Table 14: Gross electricity consumption percentage by fuel source (1990-2011) (provisional).

	1990	1995	2000	2005	2006	2007	2008	2009	2010	2011
	<b>Gross electricity consumption % by fuel source</b>									
Coal	39.8	36.5	27.0	26.5	22.9	21.5	19.0	16.0	17.2	19.7
Peat	17.4	13.5	8.5	8.5	7.8	7.7	10.0	10.4	8.6	9.2
Oil	12.5	20.3	27.5	20.5	17.8	13.7	11.0	9.3	8.8	6.8
Gas	28.5	28.1	35.1	38.7	45.3	51.1	53.9	56.5	59.0	54.6
Renewables	1.8	1.5	1.8	2.8	3.6	4.1	5.3	6.5	5.6	8.9
Net imports	0.0	0.0	0.1	3.0	2.6	1.9	0.7	1.2	0.7	0.8
% of electrical consumption supplied by biomass <sup>58</sup>	0.0	0.0	0.0	0.04	0.06	0.04	0.12	0.25	0.50	0.61

### 3.7 Wood biomass energy outlook to 2020

By 2020, the demand for roundwood is set to increase to 6.038 M m<sup>3</sup> (Table 15)<sup>59</sup>. Based on scenario modelling<sup>60</sup>, the Sustainable Energy Authority of Ireland (SEAI) forecasts that by 2020, the demand for biomass for energy in the Republic of Ireland will be 53 M GJ. Forest-based biomass and waste resources could deliver about 9 M GJ each, with agricultural residues having the potential to supply a further 8 M GJ. The balance of supply is likely to comprise indigenous purpose-grown energy crops and imported biomass<sup>61</sup>.

The demand for forest-based biomass for energy in 2020 is an aggregate of the demand for combined heat & power (CHP), heat only and co-firing. The expected demand for forest-based biomass in 2020 is shown in Table 16<sup>62</sup>. To meet the 2020 renewable energy target, the demand for forest-based biomass for energy production will need to double over the period 2011 to 2020. This is a challenging target. However, experience in Scotland and in Austria has shown that biomass use can grow to meet challenging renewable energy targets.

Table 15: Estimated roundwood demand on the island of Ireland in 2020.

	000 m <sup>3</sup> OB
Conventional demand <sup>63</sup>	3,830
Demand for forest-based biomass for energy production	3,084
Residues from conventional demand which are used to meet energy demand <sup>64,65</sup>	-876
<b>TOTAL</b>	<b>6,038</b>

<sup>58</sup> Data as provided by the Sustainable Energy Authority of Ireland (SEAI) does not split biomass use by type. As such, the consumption total includes electricity generated by all biomass sources, including tallow and wood-based biomass, although the latter is predominant source.

<sup>59</sup> The expected demand for forest-based biomass to 2020 is based on a scenario model which was developed by SEAI; [www.seai.ie](http://www.seai.ie), which is based on data available as of 2/11/2010.

<sup>60</sup> This is based on data available as of 2/11/2010.

<sup>61</sup> This data is based on work which was undertaken by the COFORD Supply Group (2010).

<sup>62</sup> The expected demand for forest-based biomass to 2020 is based on a scenario model which was developed by SEAI; [www.seai.ie](http://www.seai.ie). This is based on data available as of 2/11/2010.

<sup>63</sup> Conventional demand is roundwood used (for processing) by the sawmilling and by the boardmill sectors.

<sup>64</sup> The use of post consumer recovered wood (PCRW) is excluded

<sup>65</sup> A portion of sawmill and panel residues is used for process drying and for the production of energy. In 2011, it is estimated that 750,000 m<sup>3</sup> OB of such residues will be thus used on the island of Ireland. To avoid double counting, the demand for forest-based biomass (for energy production) is discounted by 750,000 m<sup>3</sup> OB. It is estimated that by 2020 the use of sawmill/panel residues for energy production will have increased to 876,000 m<sup>3</sup> OB.

Table 16: Estimated demand for forest-based biomass for energy production on the island of Ireland in 2020.

	<b>Estimated demand 000 m<sup>3</sup> OB/annum</b>	<b>% of total demand</b>
Combined heat & power (CHP)	1,550	50
Heat only	1,425	46
Co-firing	109	4
<b>TOTAL</b>	<b>3,084</b>	<b>100</b>

### 3.8 National climate change strategy (2007-2012)

Ireland signed the United Nations Framework Convention on Climate Change (UNFCCC<sup>66</sup>) in June 1992 and ratified it in April 1994. As a signatory to the Kyoto Protocol<sup>67</sup>, Ireland is committed to limiting its greenhouse gas (GHG) emissions to 13% above the 1990 level by 2008–2012<sup>68</sup>.

The Irish forest sector has a key role to play in addressing climate change, through carbon sequestration and through materials substitution and the displacement of fossil fuels. Forests established as a result of grant-aid under the State/European Union (EU) funded afforestation schemes since 1990 are expected to contribute to a removal of over 16 million tonnes of carbon dioxide (CO<sub>2</sub>) over the Kyoto period (2008-2012). There is also significant further potential for wood fuel to displace fossil fuel, particularly in the generation of heat in industrial, commercial, domestic and institutional markets. In doing so, it can help reduce Ireland's GHG<sup>69</sup> emissions.

Since 2006, the use of wood biomass energy in Ireland has resulted in an estimated total emissions saving of 2.56 million tonnes of CO<sub>2</sub>.

At the Durban climate change conference held in late 2011<sup>70</sup>, new carbon accounting rules for land use, land-use change and forestry (LULUCF) were agreed. The rules will apply under a second commitment period of the Kyoto Protocol, which will run from 2013 to the end of 2017 or 2020, whichever is agreed in the coming year. Accounting for pre-1990 forests is now mandatory on the basis of a projected reference level approach for most parties. Harvest in pre-1990 forests over and above those in the reference level will result in debits at the national level<sup>71</sup>.

At the request of the Minister for the Environment, Community and Local Government, the Secretariat of the National Economic and Social Council (NESC)<sup>72</sup>, undertook an analysis to inform the development of Irish climate change policy. The NESC Climate Change project included the development of potential policies and measures to reduce greenhouse gas emissions in agriculture, transport, heat in buildings and renewable energy supply; and, a basis for a national transition to a low-carbon future by 2050. The NESC climate change report which was completed in December 2012<sup>73</sup> states that afforestation will have a critical bearing on overall carbon neutrality in Ireland. It states that with current planting rates, by 2050 Irish forests could sequester in the region of 1.8 Mt CO<sub>2</sub>; if the rate increased to 20,000 ha per annum, then the potential could be between 7 and 8 Mt CO<sub>2</sub> sequestered in 2050.

<sup>66</sup> unfccc.int

<sup>67</sup> unfccc.int/kyoto\_protocol/items/2830.php

<sup>68</sup> [www.environ.ie/en/PublicationsDocuments/FileDownload,1861,en.pdf](http://www.environ.ie/en/PublicationsDocuments/FileDownload,1861,en.pdf)

<sup>69</sup> GHG: Green House Gas.

<sup>70</sup> [http://unfccc.int/meetings/durban\\_nov\\_2011/meeting/6245.php](http://unfccc.int/meetings/durban_nov_2011/meeting/6245.php)

<sup>71</sup> [http://www.teagasc.ie/forestry/docs/advice/Teagasc\\_Situation\\_Outlook\\_Forestry\\_2012.pdf](http://www.teagasc.ie/forestry/docs/advice/Teagasc_Situation_Outlook_Forestry_2012.pdf)

<sup>72</sup> <http://www.nesc.ie/>

<sup>73</sup>

[http://www.nesc.ie/assets/files/Ireland%20and%20the%20Climate%20Change%20Challenge\\_Connecting%20How%20Much%20with%20How%20To\\_Main\\_Report.pdf](http://www.nesc.ie/assets/files/Ireland%20and%20the%20Climate%20Change%20Challenge_Connecting%20How%20Much%20with%20How%20To_Main_Report.pdf)



## 4.0 Developments in forest products markets

### 4.1 Irish roundwood harvest

In 2012, 2.84 million m<sup>3</sup> of roundwood was harvested in the Republic of Ireland (Table 17). The current strong demand for roundwood is expected to continue through to the end of 2013.

Table 17: Total roundwood harvest including firewood in the Republic of Ireland (2010-2012).

	2010	2011	2012
	000 m <sup>3</sup> OB		
Coillte harvest	2,262	2,352	2,348
Private harvest	618	547	490
<b>TOTAL</b>	<b>2,880</b>	<b>2,899</b>	<b>2,838</b>

In 2012, 2.60 million cubic metres of roundwood was processed in the Republic of Ireland<sup>74</sup>, a reduction of 5.3% on 2011 (Table 18). This reduction was caused by some private growers reducing their harvesting output as a result of lower roundwood prices. Prices have recovered in 2013 and are now (at the end of 2013) at near record levels.

Table 18: Roundwood available for processing in the Republic of Ireland (2008-2012).

	2008	2009	2010	2011	2012
	000 m <sup>3</sup> OB				
<b>Commercial softwood</b>					
Imports less exports	106	-63	28	55	-18
Coillte harvest	2,279	2,354	2,217	2,299	2,269
Private sector harvest	118	130	463	386	343
<b>Commercial hardwood</b>					
Coillte harvest	1	3	0	1	1
Private sector harvest	0	0	0	1	1
<b>TOTAL</b>	<b>2,504</b>	<b>2,424</b>	<b>2,708</b>	<b>2,742</b>	<b>2,596</b>

### 4.2 Private forest estate

In the period (1981-2012), over 250,000 hectares of forest were established by private growers in Ireland as a result of state grant aid (Table 19). The private forest sector now accounts for 46% of the national forest estate or 5% of total land area of the Republic of Ireland. There are approximately 19,500 private forest owners, of which 84% are classed as farmers. Much of this estate is now available for harvesting.

However, the potential of the farm forest resource for rural development in Ireland is yet to be fully realised, given that 42% is less than 25 years old.

Table 19: Area of new forests planted in the Republic of Ireland by area and by ownership (2005-2012).

	State	Private	Total		State	Private	Total
	ha				ha		
2005	64	10,032	10,096	2009	35	6,613	6,648
2006	25	8,012	8,037	2010	4	8,310	8,314
2007	0	6,947	6,947	2011	62	6,591	6,653
2008	67	6,182	6,249	2012			6,652

<sup>74</sup>Excluding firewood.

### 4.3 Demand forecast

Historically the Irish wood processing sector has processed all of the roundwood which has been harvested from Irish forests. In addition there is a lot of scope for the private forest sector to supply wood for energy use<sup>75</sup>.

### 4.4 Forecast of roundwood supply

Over the next decade and a half, the projected roundwood harvest from Irish forests will increase significantly. The COFORD national roundwood production forecast shows that over the period to 2028 the annual production capacity of Ireland’s forests will almost double to 7 million cubic metres, from the current 3.79 million. Almost all of the increase in supply is set to come from privately-owned forests in the Republic (those areas established over the past 25 years on foot of state/EU and private sector investment (Table 21)<sup>94</sup>. Considerable scope exists to expand wood energy production, and this is in addition to supplies for sawmilling and board manufacture<sup>76</sup>.

Realising this increase in production will entail significant capital investment in roads, harvesting equipment and in information technology (IT) systems by forest owners, contractors and by the State.

### 4.5 Mobilising roundwood supply

Recent work undertaken by COFORD shows that the following challenges need to be overcome if the forecast roundwood harvest from the Irish private forest estate is to be realised. These include:

- Improving the accessibility (for timber harvesting) of the Irish private forest estate;
- Continuing Forest Service grant assistance for the development of forest roads;
- Developing a “standardised low cost” roundwood sales system which facilitates roundwood sales in the Irish private forest estate, and;
- The combination of private woodlots into larger sales units which can be harvested more economically.

Work by the COFORD Wood Mobilisation Group is further examining these and other issues.

### 4.6 Sources & uses of wood fibre

Wood fibre sources for the processing and wood energy sectors and residue outturn are shown in Table 20; uses are in Table 21<sup>77,78</sup>. Wood residues are primarily used as feedstock for sawmill kilns and for process heat in the manufacture of wood-based panels (WBP). Post-consumer recovered wood (PCRW) is increasingly being used for wood energy and in the manufacture of wood-based panels.

Table 20: Sources of wood fibre (2008-2012).

	2008	2009	2010	2011	2012
	000 m <sup>3</sup> OB roundwood equivalent (RWE) <sup>79</sup>				
Roundwood	2,503	2,421	2,708	2,740	2,594
Sawmill residues	846	838	842	829	904
Wood-based panel residues <sup>80</sup>	106	94	101	115	104
Harvest residues	0	0	0	40	30
Post-consumer recovered wood	208	200	280	270	250
<b>TOTAL</b>	<b>3,663</b>	<b>3,553</b>	<b>3,931</b>	<b>3,994</b>	<b>3,882</b>

<sup>75</sup> [http://www.coford.ie/media/coford/content/publications/projectreports/roundwooddemand2011/COFORD\\_demand01Mar11.pdf](http://www.coford.ie/media/coford/content/publications/projectreports/roundwooddemand2011/COFORD_demand01Mar11.pdf)

<sup>76</sup> <http://www.coford.ie/media/coford/content/publications/projectreports/roundwood/Roundwood%20Prod%20Forecast%20LR%20June%202011.pdf>

<sup>77</sup> UNECE Joint Wood Energy Enquiry (2009-2013) and EUROSTAT Joint Forest Sector Questionnaire (2009-2013).

<sup>78</sup> Wood fibre that is reused is counted twice in this model.

<sup>79</sup> RWE: roundwood equivalent

<sup>80</sup> Includes bark (from the debarking lines at Medite & SmartPly) and sawdust from the sanding of wood-based panels.

Table 21: Uses of wood fibre (2008-2012).

	2008	2009	2010	2011	2012
	000 m <sup>3</sup> OB RWE				
Sawmilling	1,619	1,602	1,603	1,580	1,622
Round stake	80	88	118	116	131
Wood-based panels	1,462	1,286	1,400	1,340	1,276
Wood biomass energy use by the forest products sector <sup>81</sup>	378	431	554	572	611
Other uses					
Horticultural bark mulch	44	54	27	34	40
Wood chip for commercial biomass use	30	55	39	41	30
Export of forest product residues	50	37	58	196	112
Other uses			132	115	60
<b>TOTAL</b>	<b>3,663</b>	<b>3,553</b>	<b>3,931</b>	<b>3,994</b>	<b>3,882</b>

#### 4.7 Sawn timber

Eight companies form the core of the Irish sawmilling sector, providing the main market for the sawlog and stakewood which is harvested from Irish forests (Table 22)<sup>82</sup>. The majority of the logs which are supplied to Irish sawmills are certified to FSC<sup>83,84</sup> or to PEFC<sup>85</sup> standards. In addition, Irish sawmills have their own chain of custody (CoC) certification.

In 2013, Glennon Brothers, an Irish sawmill group with operations in Ireland and Scotland celebrated 100 years in business<sup>86</sup>. In the same year Grainger Sawmills<sup>87</sup> merged with Palfab Ltd.<sup>88</sup> to form GP Wood<sup>89</sup>. The new group has a turnover of €49 million generating exports of €24 million.

In 2012, 2.60 million cubic metres of roundwood were processed in the Republic of Ireland<sup>90</sup>, a reduction of 5.3% on 2011 (Table 23). This reduction was caused by lower demand for forest products.

In 2012, Irish sawmills utilised 1.75 million cubic metres of roundwood to produce 900,000 cubic metres of sawn timber. 87% of this roundwood was sold by Coillte, with the balance supplied by imports and by the private forest sector<sup>91</sup> (Table 23). Over the period 2008-2012, in line with the reduction in construction activity, the domestic sawn timber market declined by 45%. Over the same period, sawn timber exports grew by 38% (Table 25). In 2012, 64% of the Irish market for sawn timber was supplied by indigenous production with the balance being imported (Table 25).

The timber products which are produced by Irish sawmills serve three main markets: construction/structural, pallet/packaging and fencing. The market size of these products from 2008-2012 is in Table 24<sup>92</sup>.

<sup>81</sup> Wood biomass energy is used by the forest products sector for process drying, heating and for the generation of electricity.

<sup>82</sup> Source: drima market research survey.

<sup>83</sup> FSC: Forest Stewardship Council; [www.fsc.org](http://www.fsc.org)

<sup>84</sup> The Forest Stewardship Council (FSC) is an independent, non Governmental, not for profit organisation established to promote the responsible management of the world's forests; [www.fsc.org](http://www.fsc.org)

<sup>85</sup> [www.pefc.org](http://www.pefc.org)

<sup>86</sup> [http://www.glennonbrothers.ie/press/100\\_years\\_celebration.html](http://www.glennonbrothers.ie/press/100_years_celebration.html)

<sup>87</sup> <http://www.graingersawmills.com/>

<sup>88</sup> <http://www.palfab.com/>

<sup>89</sup> <http://www.graingersawmills.com/GP%20Wood%20Announcement.pdf>

<sup>90</sup> Excluding firewood.

<sup>91</sup> Includes the production of round stake.

<sup>92</sup> COFORD woodflow data 2009-2013; [www.coford.ie](http://www.coford.ie)

In value terms, the Republic of Ireland became a net exporter of sawn timber in 2010. This was for the first time since 1961, when global forest products statistics began to be compiled by FAO<sup>93</sup> (Table 34)<sup>94</sup>. It marked the continuation of a trend apparent since 2008 (and more apparent in the case of export volumes) with the gap between the value of exports and imports closing due to the collapse of the domestic construction market and increased levels of exports, mainly to the UK.

Demand for sawn timber in the UK was strong in the first half of 2012 and this was reflected in demand from Irish sawmills. The second half of the year was significantly more challenging with the UK market once again dipping into recession<sup>95</sup>.

In September 2013, Coillte, in partnership with Enterprise Ireland<sup>96</sup>, hosted three Irish construction sawnwood exporters at the 2013 Timber Expo<sup>97</sup> which took place at the NEC in Birmingham<sup>98</sup>. These exporters were Glennon Brothers<sup>99</sup>, GP Wood Ltd.<sup>100</sup> and the MTG (Murray Timber Group)<sup>101</sup>.

Table 22: Sawmills on the island of Ireland by size and location.

Sawmill size	Sawmill	Location(s)	Website
Large	Balcas Ltd.	Enniskillen, Co Fermanagh, Northern Ireland	<a href="http://www.balcas.com">www.balcas.com</a>
Large	ECC Timber Products Ltd.	Corr na Móna, Co Galway	<a href="http://www.ecc.ie">www.ecc.ie</a>
Large	Glennon Brothers Ltd.	Longford, Co Longford Fermoy, Co Cork	<a href="http://www.glennonbrothers.ie">www.glennonbrothers.ie</a>
Large	GP Wood Ltd.	Enniskeane, Co Cork Macroom, Co Cork	<a href="http://www.graingersawmills.com">www.graingersawmills.com</a> <a href="http://www.palfab.com">www.palfab.com</a>
Large	Murray Timber Group	Ballygar, Co Galway Ballon, Co Carlow	<a href="http://www.mtg.ie">www.mtg.ie</a>
Medium	Coolrain Sawmills Ltd.	Coolrain, Co Laois	<a href="http://www.gardendeckingfencing.ie">www.gardendeckingfencing.ie</a>
Medium	Laois Sawmills Ltd.	Portlaoise, Co Laois	
Medium	Woodfab Timber Ltd.	Aughrim, Co Wicklow	<a href="http://www.woodfabtimber.ie">www.woodfabtimber.ie</a>

<sup>93</sup> <http://faostat.fao.org/site/626/default.aspx#ancor>

<sup>94</sup> Negative values show a surplus of imports over exports.

<sup>95</sup> <http://www.coillte.ie/aboutcoillte/news/article/view/coillte-reports-operating-profit-before-exceptional-items-of-EUR35m-for-2012/>

<sup>96</sup> <http://www.enterprise-ireland.com/en/>

<sup>97</sup> <http://www.timber-expo.co.uk/>

<sup>98</sup> <http://www.coillte.ie/aboutcoillte/news/article/view/irish-sawmills-exporting-over-70-of-their-production-to-the-uk/>

<sup>99</sup> <http://www.glennonbrothers.ie/>

<sup>100</sup> <http://www.graingersawmills.com/> and <http://www.palfab.com/>

<sup>101</sup> [www.mtg.ie](http://www.mtg.ie)

Table 23: Roundwood available for processing in the Republic of Ireland (2008-2012).

	2008	2009	2010	2011	2012
	000 m <sup>3</sup> OB				
<b>Commercial softwood</b>					
Imports less exports	106	-63	28	55	-18
Coillte harvest	2,279	2,354	2,217	2,299	2,269
Private sector harvest	118	130	463	386	343
<b>Commercial hardwood</b>					
Coillte harvest	1	3	0	1	1
Private sector harvest	0	0	0	1	1
<b>TOTAL</b>	<b>2,504</b>	<b>2,424</b>	<b>2,708</b>	<b>2,742</b>	<b>2,596</b>
<b>Of which used by sawmills</b>					
Sawlog	1,619	1,602	1,603	1,580	1,622
Stakewood	80	88	118	116	131
<b>TOTAL</b>	<b>1,699</b>	<b>1,690</b>	<b>1,721</b>	<b>1,696</b>	<b>1,735</b>

Table 24: Sawn timber and round stake output by product and year for the Republic of Ireland (2008-2012).

	2008	2009	2010	2011	2012
	000 m <sup>3</sup> UB				
Construction/structural	267	292	293	289	297
Pallet/packaging	232	254	255	251	258
Square edged fencing	190	208	209	206	211
Round stakes	51	80	107	106	119
Other	13	15	15	15	15
<b>TOTAL</b>	<b>753</b>	<b>849</b>	<b>879</b>	<b>867</b>	<b>900</b>

Table 25: Self-sufficiency in sawnwood (2008-2012)<sup>102,103</sup>.

	Sawn softwood					Sawn hardwood				
	2008	2009	2010	2011	2012	2008	2009	2010	2011	2012
	000 m <sup>3</sup> UB									
Domestic production	696	772	772	760	782	1	3	0	1	1
Exports <sup>104</sup>	387	563	658	619	534	2	1	1	1	0
Imports	346	191	205	169	116	65	41	37	32	28
<b>TOTAL consumption<sup>105</sup></b>	<b>655</b>	<b>400</b>	<b>319</b>	<b>310</b>	<b>364</b>	<b>64</b>	<b>43</b>	<b>36</b>	<b>32</b>	<b>29</b>
% of sawn timber consumption supplied by domestic production	47	52	36	45	68	2	7	0	3	3

<sup>102</sup> Central Statistics Office; [www.cso.ie](http://www.cso.ie) & EUROSTAT Joint Forest Sector Questionnaire (2009-2013).

<sup>103</sup> Due to rounding, there are slight differences between the values shown in Table 5 and Table 7.

<sup>104</sup> Sawn timber export data for 2010 has been revised. This is based on up-dated data provided by the CSO.

<sup>105</sup> Total consumption is calculated as follows: domestic production + (imports-exports).

### Sawn softwood imports

The main softwood exporters to the Irish market for the period 2007-2012 are listed in Table 26<sup>106</sup>.

Table 26: Top softwood exporters to Ireland (2007-2012).

	Volume of sawn softwood exported to Ireland in 000 m <sup>3</sup> UB					
	2007	2008	2009	2010	2011	2012
Sweden	122	90	44	42	34	26
Great Britain <sup>107</sup>	80	35	33	37	23	13
Germany	72	62	22	26	19	7
Finland	70	33	13	11	12	10
Russia	67	37	22	18	9	8
Latvia	63	25	16	33	37	23
Northern Ireland	47	28	21	27	21	19
Brazil	18	2				
Estonia			3	4	4	3
Canada	17	4	2	1	2	1
Belgium				2	2	
Austria	7	1	5	0		
% of total imports	92	91	95	98	96	94

### Sawn hardwood imports

Domestic sawn hardwood production is extremely small, amounting to just 562 m<sup>3</sup> in 2012. In 2012, Ireland imported 28,000 m<sup>3</sup> of sawn hardwood (value €22.6 million), a 13.5% reduction in volume on 2011. The main hardwood exporters to the Irish market for the period 2007-2012 are shown in Table 27<sup>108</sup>.

Table 27: Main hardwood exporters to Ireland (2007-2012).

	Volume of sawn hardwood exported to Ireland in 000 m <sup>3</sup> UB					
	2007	2008	2009	2010	2011	2012
Cameroon	35	12	13	10	11	9
United States	27	16	9	11	10	10
Ivory Coast	11	6	2	2	1	1
Northern Ireland	11	6	6	5	4	2
China	10	4	1	1	0.3	1
Canada	5	2	1	1	1	1
Sweden	5	5	1	0.45		
Great Britain <sup>109</sup>	4	4	2	2	2	1
Congo			1			
Ghana	3	1				
Central African Republic				1		
Germany	3	2	1	1	1	
% of hardwood imports	93	89	93	96	95	88

<sup>106</sup> Source: Central Statistics Office (CSO); [www.cso.ie](http://www.cso.ie)

<sup>107</sup> Data on sawn timber which is imported from Northern Ireland is treated separately from that which is imported from Great Britain.

<sup>108</sup> Sources: CSO Trade Statistics [www.cso.ie](http://www.cso.ie) & EUROSTAT JFSQ for Ireland (2009-2013).

<sup>109</sup> Data on sawn timber which is imported from Northern Ireland is treated separately from that which is imported from Great Britain

#### 4.8 Wood residues

Wood residues are primarily used as feedstock for sawmill kilns and for process heat in the manufacture of wood-based panels (WBP). Post-consumer recovered wood (PCRW) is used for wood energy and in the manufacture of wood-based panels. Over the period 2008-2012, the production of wood residues increased by 17% (Table 28).

Table 28: Production of wood residues in 000 m<sup>3</sup> (2008-2012).

	2008	2009	2010	2011	2012
Bark	203	215	222	236	232
Wood chip	470	517	517	510	524
Sawdust	152	200	204	198	201
Post-consumer recovered wood (PCRW)	208	200	280	270	250
<b>TOTAL</b>	<b>1,033</b>	<b>1,132</b>	<b>1,223</b>	<b>1,214</b>	<b>1,207</b>

#### 4.9 Wood-based panels (WBP)

Three wood-based panel manufacturers are located in Ireland (Table 29)<sup>110,111</sup>.

Table 29: Wood-based panel manufacturers in the Republic of Ireland (November 2013).

Company	Established	Product(s)	Location
Masonite Ireland	1997	Thin MDF/Moulded door facings	Drumsna, Co Leitrim
Medite-Europe	1983	Medium Density Fibreboard (MDF)	Clonmel, Co Tipperary
SmartPly Europe	1995	Oriented Strand Board (OSB)	Slieverue, Co Kilkenny

In 2012, 704,000 m<sup>3</sup> of wood-based panels (WBP) were produced from an intake of 1.29 million m<sup>3</sup> of wood fibre<sup>112</sup>, a 4.4% reduction over 2011 (Table 36). The reduction in output can be traced to Finsa Forest Products ceasing the manufacture of particleboard in January 2011. A very high proportion (89%) of WBP manufacture was exported; 630,000 m<sup>3</sup>, to a value of €179 million (Table 30)<sup>113</sup>. WBP exports comprised mainly oriented strand board (OSB) and medium density fibreboard (MDF), manufactured by Masonite, Medite and SmartPly. Key export markets were the UK and the Benelux countries.

Table 30: Production and exports of wood-based panels in and from the Republic of Ireland (2008-2012).

	2008	2009	2010	2011	2012
Production (000 m <sup>3</sup> )	779	709	758	736	704
Export volume (000 m <sup>3</sup> )	614	580	660	616	630
Export value (€ million)	195	147	179	173	179

#### 4.10 Wood biomass energy

In 2012, 35.6% of the roundwood harvested in the Republic of Ireland was used for energy generation, mainly within the forest products sector (Table 31). Since 2006, the use of wood biomass energy in Ireland has resulted in an estimated greenhouse gas (GHG) emission saving of 3.12 million tonnes of carbon dioxide (CO<sub>2</sub>).

In 2012, the output of the forest-based biomass energy sector grew by 4.4% over 2011 (Table 24). In 2012, 225,000 m<sup>3</sup> of firewood was used in the Republic of Ireland to a value of €33million, showing that it

<sup>110</sup> EUROSTAT / FAO Joint Forest Sector Questionnaire (JFSQ) for Ireland (2009-2013)

<sup>111</sup> COFORD Woodflow for Ireland (2011);

<http://www.coford.ie/media/coford/content/publications/projectreports/Woodflow%202011%20for%20web.pdf>

<sup>112</sup> Includes pulpwood, wood chips, sawdust and post-consumer recovered wood.

<sup>113</sup> EUROSTAT Joint Forest Sector Questionnaire (2009-2013).

is providing a steady and a growing market for first thinnings (Table 32)<sup>114</sup>. In addition, firewood is also harvested by forest owners for their own use.

Table 31: Use of forest-based biomass and as a proportion of total roundwood harvest (2010-2012).

	2010	2011	2012
	000 m <sup>3</sup> OB RWE		
Forest-based biomass use by Edenderry Power	79	85	152
Forest-based biomass used for energy production and process drying in sawmills and wood-based panel mills	475	487	459
Roundwood chipped for primary energy use	39	41	30
Domestic firewood use	199	214	225
Short rotation coppice	1	5	5
Wood pellets and briquettes	121	129	144
Charcoal	2	5	2
<b>TOTAL</b>	<b>916</b>	<b>966</b>	<b>1,017</b>
Roundwood harvest			
Roundwood available for processing	2,708	2,740	2,594
Firewood harvest	199	214	225
<b>TOTAL</b>	<b>2,907</b>	<b>2,954</b>	<b>2,819</b>
Forest-based biomass as a % of total roundwood harvest	31.5	32.6	36.0

Table 32: Output of the forest-based biomass energy sector (2008-2012).

	Unit	2008	2009	2010	2011	2012
		Output				
Heat	TJ	4,857	5,273	6,306	6,604	6,808
Electricity	TJ	112	240	372	378	477
<b>TOTAL</b>	<b>TJ</b>	<b>4,969</b>	<b>5,513</b>	<b>6,678</b>	<b>6,982</b>	<b>7,285</b>
CO <sub>2</sub> abated	000 tonnes	380	422	511	534	557

#### 4.11 Pulp & paper

- All pulp and paper used in the Irish market is imported.
- Pulp & paper imports represent 75% of Irish forest product imports (by value).
- In 2012, 462,000 metric tonnes of pulp and paper products, to a value of €384 million, were imported into Ireland. This was an increase of 5.7% increase on 2011.

#### 4.12 Builders merchanting

The reduction in Irish building output is having a significant knock on effect on the Irish builder's merchant sector and on its suppliers.

However, in 2013, revenue in the Irish builders' merchanting sector has showed signs of stabilising<sup>115</sup>. Consumer confidence has improved. Reports indicate that the merchanting and DIY markets have stabilised at very low levels of activity.

The Grafton Group is Ireland's largest builders merchant. In the first 10 months of 2013, it saw its revenue in the Republic of Ireland grow by 1.1% over the same period in 2011. In 2013, timber and forest products were responsible for 18% of the turnover in its Irish builder's merchant business.

<sup>114</sup> Source: UNECE Joint Wood Energy Enquiry (JWEE); 2009 -2013.

<sup>115</sup> <http://www.graftonplc.com/media/press-releases#d10-jul-2013>



### 4.13 Trade in forest products

In 2012, forest products to a value of €303 million were exported from Ireland; a decline of 1.6% on 2011. This includes wood-based panels, sawn timber and pulp and paper products (Table 33). In 2012, the value of wood-based panel exports increased by 3.4% over 2011.

### 4.14 Balance of payments

In value terms, exports of wood products in 2012 were €303 million, €179 million of which comprised wood-based panel exports. The balance was made up of paper and sawn timber exports<sup>4</sup> (Table 33). Export volumes of wood-based panels grew by 2.2% over 2011<sup>16</sup>.

The Republic of Ireland remains a net overall importer of timber and paper products, due largely to paper and paper-board products (Table 34)<sup>17</sup>.

Table 33: Timber and paper products trade, volume and value (2008-2012).

	Imports									
	2008	2009	2010	2011	2012	2008	2009	2010	2011	2012
	000 cubic metres					€ million				
Sawn timber	412	232	242	201	145	141	66	74	64	54
Wood-based panels	264	181	166	195	204	108	68	65	68	75
	000 tonnes									
Pulp products	29	32	41	54	47	20	22	31	45	45
Paper and paper-board products	526	379	370	383	415	520	308	313	333	339
<b>TOTAL</b>						<b>789</b>	<b>464</b>	<b>483</b>	<b>510</b>	<b>513</b>
	Exports									
	2008	2009	2010	2011	2012	2008	2009	2010	2011	2012
	000 cubic metres					€ million				
Sawn timber	389	564	658	619	534	54	51	85	83	73
Wood-based panels	614	580	660	616	630	195	147	179	173	179
	000 tonnes									
Pulp products	2	0	1	0	0	0	0	0	0	0
Paper and paper-board products	77	45	33	59	68	69	45	44	52	51
<b>TOTAL</b>						<b>318</b>	<b>243</b>	<b>308</b>	<b>308</b>	<b>303</b>

Table 34: Balance of trade in the value of forest products (2008-2012).

	2008	2009	2010	2011	2012
	€ million				
Sawn timber	-87	-15	11	19	19
Wood-based panels	87	79	114	105	104
Pulp products	-20	-22	-31	-45	-45
Paper and paper-board products	-451	-263	-269	-281	-288
<b>TOTAL</b>	<b>-471</b>	<b>-221</b>	<b>-175</b>	<b>-202</b>	<b>-210</b>

### 4.15 Value added products - wooden furniture

In 2012, wooden furniture to the value of €152 million was imported into the Republic of Ireland. However, the value has declined by 52% over the period 2008-2012. The value of the furniture exported from Ireland declined by 26% over the same period (Table 35)<sup>18</sup>.

<sup>116</sup> Includes import/export figures for sawn timber, wood-based panels and pulp/paper products only. Data are taken from Ireland's EUROSTAT JFSQ returns (2009-2013). Roundwood, sawmill residues and secondary processed timber products are not included.

Trade data for the JFSQ is provided by the Central Statistics Office (CSO); [www.cso.ie](http://www.cso.ie)

<sup>117</sup> Negative values show a surplus of imports over exports.

<sup>118</sup> Source: EUROSTAT JFSQ for Ireland (2009-2013).

Table 35: The value of wooden furniture imports & exports by the Republic of Ireland (2008-2012).

	2008	2009	2010	2011	2012
€ million					
Imports	317	177	168	147	152
Exports	35	24	26	25	26
Net imports	282	153	142	122	126

## 4.16 Voluntary forest certification

### 4.16.1 Schemes

Coillte (the State Forestry Board) forests have been Forest Stewardship Council (FSC) certified since 2001<sup>119</sup>. A new FSC standard for Ireland was launched in late 2012<sup>120</sup>.

In 2012, the Programme for the Endorsement of Forest Certification (PEFC)<sup>121</sup> announced the endorsement of the PEFC Ireland Scheme for Sustainable Forest Management.

To date, certification has not been a major issue for private forest owners. However, as the private forests' contribution to the national yearly harvest increases, certification is likely to become an issue<sup>122</sup>. Forest certification for private forest owners is likely to become a necessity within the next 3-4 years. Several forestry development companies are preparing for certification and intend to offer this service to forest owners in 2014.

### 4.16.2 Certified forest products

All major sawmills and panel mills have chain-of-custody procedures associated with product certification. The demand for certified timber products in the Irish market is still relatively small and there is no strongly developed public procurement policy for them.

## 5.0 Irish forests & the environment

The Irish forest sector has strong environmental and non timber benefits. All major Irish timber processors and growers are certified by the Forest Stewardship Council (FSC)<sup>123</sup> or by the Programme for the Endorsement of Forest Certification (PEFC)<sup>124</sup>. It is estimated that 18 million people visit Irish forests for recreation purposes each year. This activity has been valued at €97 million, which in turn generates €268 million in economic activities in rural communities<sup>125</sup>.

In addition, Ireland's forests create an opportunity to conserve and enhance biodiversity at both a local and a national level.

Over the five year period of the Kyoto Protocol (2008-2012), Irish forests will sequester 11 million tonnes (Mt) of carbon dioxide (CO<sub>2</sub>). Over this 5 year period, this represents a total projected saving to the Irish taxpayer of €220 million. By 2020, the amount of CO<sub>2</sub> which will be sequestered annually from Irish forests is estimated to increase to over 4 million tonnes per annum<sup>126</sup>.

<sup>119</sup> [http://www.coillte.ie/coillteforest/responsible\\_forest\\_management\\_and\\_certification/certification\\_introduction/](http://www.coillte.ie/coillteforest/responsible_forest_management_and_certification/certification_introduction/)

<sup>120</sup> <https://ie.fsc.org/download.irish-forest-stewardship-national-standard.8.htm>

<sup>121</sup> <http://www.pefc.org/>

<sup>122</sup> [http://www.teagasc.ie/forestry/docs/advice/Teagasc\\_Situation\\_Outlook\\_Forestry\\_2012.pdf](http://www.teagasc.ie/forestry/docs/advice/Teagasc_Situation_Outlook_Forestry_2012.pdf)

<sup>123</sup> [www.fsc.org](http://www.fsc.org)

<sup>124</sup> [www.pefc.org](http://www.pefc.org)

<sup>125</sup> <http://www.coford.ie/publications/forestry2030/irishforestryandtheeconomy/>

<sup>126</sup> <http://www.agriculture.gov.ie/media/migration/2020/2020strategy/2020Forestry.doc>

## 6.0 New developments

### 6.1 New Forestry Bill

In 2013, a new Forestry Bill<sup>127</sup> was introduced to the Houses of the Oireachtas (Irish Parliament). The purpose of the new Bill is to reform and to update the legislative framework relating to forestry. This is currently governed by legislation dating back to 1946. The Department of Agriculture, Food and the Marine has had widespread consultation with stakeholders regarding the contents of the Bill<sup>128</sup>.

### 6.2 Draft report of the Forestry Policy Review Group Report

In 2009, the Department of Agriculture, Food and the Marine announced that it was undertaking a review of Irish forestry policy<sup>129</sup>. This looked at the following areas:

- an overarching group with wide representation dealing with national forestry policy;
- an interdepartmental group dealing with the funding of forestry schemes and
- an interdepartmental group with Coillte representation dealing exclusively with the role, functions and operations of Coillte.

In June 2013, the draft report (of the Forestry Policy Review Group) entitled ‘Forests, Products and People, Ireland’s forest policy, a renewed vision, Recommendations of the Forest Policy Review Group was issued for public consultation by the Department of Agriculture, Food and the Marine<sup>130</sup>. The consultation process has been completed and the review is being finalised.

### 6.3 Consideration of the potential sale of harvesting rights on Coillte lands

Further to the Government's decision that a concession for the harvesting rights to Coillte's forests be considered for sale, NewERA<sup>131</sup>, Coillte<sup>132</sup>, the Department of Public Expenditure and Reform<sup>133</sup> and Department of Agriculture, Food and the Marine (DAFM)<sup>134</sup> worked to examine the financial and other implications of a potential transaction. As part of this process, similar international transactions and precedents were considered in detail to identify issues that arose in those transactions and to learn from those precedents. The precedents examined included those in Australia and New Zealand<sup>135</sup>.

The sale was opposed by a number of groups including the Irish Timber Council (ITC)<sup>136</sup>, Coillte Unions (IMPACT)<sup>137</sup> and by environmental groups.

In June 2013, the Minister for Agriculture, Food and the Marine, Simon Coveney, TD announced the Government decision in relation to the proposed sale of Coillte harvesting rights. The Minister advised that “at its meeting today, the Government decided that now is not the appropriate time to proceed with the sale of harvesting rights in Coillte and that the current focus must be on the restructuring of Coillte, overseen by NewERA and the relevant stakeholder Departments“. It was also decided that a robust analysis be carried out to evaluate how to give effect to a beneficial merger of Coillte with Bord na Móna<sup>138</sup> to create a streamlined and refocused commercial state company operating in the bio-energy and forestry sectors, as committed to in the Programme for Government<sup>139</sup>.

Minister Coveney stated that “the Government decided that the annual delivery of a material financial dividend to the State be prioritised as part of the restructuring of Coillte “. It further decided that it will

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<sup>127</sup> <http://www.oireachtas.ie/documents/bills28/bills/2013/4313/b4313d.pdf>

<sup>128</sup> <http://www.merriionstreet.ie/index.php/2013/11/hayes-opens-ifa-farm-forestry-national-conference-2013/?cat=12>

<sup>129</sup> <http://www.agriculture.gov.ie/forestryreview/messagefromministerofstatekillen/>

<sup>130</sup> <http://www.agriculture.gov.ie/media/migration/forestry/publicconsultation/forestpolicyreview/ForestPolicyReviewpublicconsult21Jun2013.pdf>

<sup>131</sup> <http://www.ntma.ie/business-areas/new-economy-and-recovery-authority/>

<sup>132</sup> [www.coillte.ie](http://www.coillte.ie)

<sup>133</sup> <http://per.gov.ie/>

<sup>134</sup> [www.agriculture.gov.ie](http://www.agriculture.gov.ie)

<sup>135</sup> <http://www.kildarestreet.com/wrans/?id=2013-05-08a.573>

<sup>136</sup> <http://www.breakingnews.ie/ireland/irish-timber-council-sale-of-forestry-rights-puts-2500-jobs-at-risk-586165.html>

<sup>137</sup> <http://www.impact.ie/uploads/files/servicesandenterprises/coillte/Coilltethewayforward.pdf>

<sup>138</sup> <http://www.bordnamona.ie/>

<sup>139</sup> <http://www.merriionstreet.ie/index.php/2013/06/statement-by-minister-coveney-on-the-cabinet-decision-on-coillte/>

consider all the options to maximise value from Coillte when the restructuring is complete in 18 months time.

Coillte has stated that it fully supports the Government decision and will participate fully and proactively in evaluating how to give effect to a beneficial merger of Coillte with Bord na Móna to create a strong commercial state company operating in the bio energy and forestry sectors<sup>140</sup>.

#### 6.4 Value of the Irish forestry and forest products sector

In 2012, the Irish forest sector generated approximately €2.29 billion in value to the Irish economy<sup>141</sup>.

#### 6.5 Employment

The Irish forestry and forest products sector employs over 12,000 people, the majority in rural Ireland (Table 36)<sup>142,143</sup>. A study which carried out by University College Dublin (UCD) estimated that an annual afforestation programme of 15,000 ha would on average, create 490 direct jobs. Most of these jobs would be based in rural communities in forest establishment, forest management, timber harvesting, and road haulage and in timber processing. The study indicated that for every 100 jobs in the forestry sector that an extra 70 full-time equivalent jobs are provided in other sectors of the economy<sup>144</sup>.

Table 36: Employment in the forestry and forest products sector in the Republic of Ireland.

Sector	No employed
Forestry development sector	3,125
Forest products sector	3,907
Indirect /contract employment	4,907
TOTAL	11,939

#### 6.6 Innovation in forest products

Irish timber processors have continued to invest in innovation in processing and products<sup>145</sup>.

- Such new products include the development of eased edge structural carcassing<sup>146</sup> by the Murray Timber Group (MTG) and the development of SmartPly SiteProtect<sup>147</sup> by Coillte Panel Products (CPP).
- Other timber processors including GP Timber (formerly Grainger Sawmills<sup>148</sup>) have grown their market share in the UK. In addition, the Irish forestry and forest products sector has developed new markets for its products and services. These include the ongoing development of the French market by Glennon Brothers<sup>149</sup>.
- In 2013, Medite Tricoya was chosen as Product of the Year at the Sustain Magazine Awards<sup>150</sup>.
- Over the past two years, Masonite Ireland has developed two new door facings. These have enabled it to develop new markets in India and continue to grow their export sales steadily.
- Woodfab Timber is currently installing a combined heat and power (CHP) plant at its facility in Aughrim, Co Wicklow, thus enabling it to reduce its energy costs.

<sup>140</sup> <http://www.coillte.ie/aboutcoillte/news/article/view/statement-on-government-decision-regarding-the-sale-of-harvesting-rights/>

<sup>141</sup> COFORD Forestry 2030 papers updated ([www.coford.ie](http://www.coford.ie))

<sup>142</sup> [http://www.forestry.ie/forestry\\_economy.htm](http://www.forestry.ie/forestry_economy.htm)

<sup>143</sup> Dr Áine Ní Dhubháin and Dr Richard Moloney, COFORD FORECON Project (2010 overview)

<http://www.coford.ie/media/coford/content/researchprogramme/projectreports/forecon2008.pdf>

<sup>144</sup> Dr Áine Ní Dhubháin and Dr Richard Moloney, COFORD FORECON Project (2010 overview)

<http://www.coford.ie/media/coford/content/researchprogramme/projectreports/forecon2008.pdf>

<sup>145</sup> [http://www.ibec.ie/IBEC/Press/PressPublicationsdoclib3.nsf/vPages/Newsroom~forestry-sector-looks-to-export-market-for-growth-10-09-2012/\\$file/IFFPA+Report+2012+Final.pdf](http://www.ibec.ie/IBEC/Press/PressPublicationsdoclib3.nsf/vPages/Newsroom~forestry-sector-looks-to-export-market-for-growth-10-09-2012/$file/IFFPA+Report+2012+Final.pdf)

<sup>146</sup> [www.mtg.ie/construction\\_timber.html](http://www.mtg.ie/construction_timber.html)

<sup>147</sup> [www.smartply.com/siteprotect/](http://www.smartply.com/siteprotect/)

<sup>148</sup> [www.graingersawmills.com/](http://www.graingersawmills.com/)

<sup>149</sup> [www.glennonbrothers.ie/press/france2.html](http://www.glennonbrothers.ie/press/france2.html)

<sup>150</sup> <http://www.meditetricoya.com/news/seeking-sustainability-look-no-further-than-meditre-tricoya>

## 6.7 Wood Ireland, Pride in the Product

In September 2013, Wood Ireland, Pride in the Product, was launched at the Wood Expo Show at the NEC, Birmingham. Produced by the Wood Marketing Federation (WMF)<sup>151</sup>, this gives buyers an overview of the Irish forestry and forest products sector.

## 6.8 Teagasc Talking Timber

In September 2013, Teagasc (the Agriculture and Food Development Authority) organised two Timber Marketing Days where forest owners had the opportunity to meet with timber buyers, harvesting contractors and foresters. These events were run in the South West and the North West<sup>152</sup>.

Each day started with an outdoor demonstration organised by the Irish Forestry and Forest Products Association (IFFPA)<sup>153</sup> where participants had the opportunity to view the quality of timber required by Irish sawmills and the best way to ensure such quality.

This was followed by short, concise presentations from Teagasc, a local harvesting contractor, a local forest management company, the Association of Irish Forestry Consultants (AIFC)<sup>154</sup> and the Irish Timber Growers Association (ITGA)<sup>155</sup>. Local forest owner groups also gave their perspective and shared their experiences.

## 6.9 National Forest Inventory (NFI)

The primary purpose of the NFI is to assess on an ongoing basis changes to the forest estate. The first phase of the NFI<sup>156</sup>, completed in 2006, was the starting point against which subsequent stages must be measured and compared. The field data collection for the second phase was completed in December 2012. Data analysis is currently underway and reporting of results will take place during 2014. The continuation of the NFI for a 3<sup>rd</sup> cycle is being planned for 2014 and is essential to:

- meet Ireland's commitment to Sustainable Forest Management (SFM);
- comply with international and national reporting obligations, e.g. FAO; EUROSTAT and UNECE;
- forecast timber production at national level, which is a prerequisite for national forest industry planning and development and
- provide information to help ensure that Ireland can fully comply with reporting and accounting for forestry related aspects of land use, land-use change and forestry (LULUCF) under the UN Framework Convention on Climate Change and the recent EU decision on accounting for LULUCF.

## 6.10 Launch of Future Trees

In November 2013, the Minister of State for Forestry, Tom Hayes TD launched a future strategy for broadleaves. The strategy has been drafted by the Future Trees Trust<sup>157</sup>, a UK/Ireland collaborative body, which includes the Department of Agriculture, Food and the Marine<sup>158</sup>, and Teagasc<sup>159</sup>. The overall aim of the strategy is to establish improved broadleaved trees as an integral part of British and Irish woodlands, which will in the long-term, contribute to more productive forests with improved wood quality.

## 6.11 Ash dieback

Following confirmation of a finding of Ash Dieback (*Chalara fraxinea*) in Ireland in October 2012 (on plants imported from continental Europe), an ongoing major survey of ash has been carried out by the Department of Agriculture, Food and the Marine. This included targeted and systematic ash surveys of plantations, nurseries, roadsides, landscape and farm landscape plantings and hedgerows. As of 29 October 2013, there have been a total of 101 confirmed findings of the disease located throughout the country<sup>160</sup>.

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<sup>151</sup> <http://www.wood.ie/>

<sup>152</sup> [http://www.teagasc.ie/forestry/events/talking\\_timber\\_2013.asp](http://www.teagasc.ie/forestry/events/talking_timber_2013.asp)

<sup>153</sup> <http://www.iffpa.ie/Sectors/IFFPA/IFFPA.nsf/vPages/Home?OpenDocument>

<sup>154</sup> <http://www.aifc.ie/>

<sup>155</sup> <http://www.itga.ie/>

<sup>156</sup> <http://www.agriculture.gov.ie/nfi/>

<sup>157</sup> <http://www.futuretrees.org/>

<sup>158</sup> [www.agriculture.gov.ie](http://www.agriculture.gov.ie)

<sup>159</sup> <http://www.teagasc.ie/forestry/>

<sup>160</sup> <http://www.agriculture.gov.ie/press/pressreleases/2013/october/title.72457.en.html>

The control strategy has been developed jointly by the Department of Agriculture and Rural Development (DARD) and The Department of Agriculture, Food and the Marine (DAFM) in conjunction with Agri-Food and Biosciences Institute (AFBI). These measures include:

- Ash has been temporarily delisted as an approved species under the afforestation grant scheme.
- On 26<sup>th</sup> October, 2012, legal measures were introduced to prohibit the importation into Ireland of plant material from areas infected by ash dieback.
- On 6<sup>th</sup> November 2012, further legislation was introduced to restrict the importation of ash wood.

## **6.12 Awards**

In the last year the following awards were won by Irish forestry and forest products companies.

- Coillte was awarded the Millicom Award for Environmental & Corporate Sustainability at the European Business Awards ceremony<sup>161</sup>.
- Glennon Brothers were awarded Ruban d'Honneur Award<sup>162</sup>.

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<sup>161</sup> <http://www.coillte.ie/aboutcoillte/news/article/view/coillte-wins-major-european-business-award/>

<sup>162</sup> [http://www.glennonbrothers.ie/press/ruban\\_dHonneur\\_award.html](http://www.glennonbrothers.ie/press/ruban_dHonneur_award.html)

## 7.0 Tables

### 7.1 Economic Indicators

#### 7.1.1 An economic overview of the Irish economy (2001-2014f)<sup>163,164,165,166,167,168</sup>,

Criteria/year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013f	2014f
<b>Output - real annual growth %</b>														
Government spending	9.8	7.1	3.2	1.8	4.6	5.3	6.9	2.2	-4.4	-6.9	-2.8	-3.7	-0.7	-1.3
Personal consumption	5.4	3.8	3.2	3.8	6.6	5.7	5.9	-15	-5.4	0.9	-1.6	-0.3	0.2	1.5
Exports	8.6	4.5	0.5	7.3	3.9	4.4	8.6	-0.8	-3.8	6.2	5.1	5.9	1.2	6.4
Imports	7.2	2.4	-1.2	8.6	6.5	4.4	5.6	-2.9	-9.7	3.6	-0.3	3.9	1.1	5.7
Consumer Price Index (CPI)	4.9	4.6	3.5	2.2	2.4	4.0	4.9	4.1	-4.5	-1.0	2.6	1.7	0.7	1.5
Gross Domestic Product (GDP)	5.7	6.0	4.3	4.3	5.5	5.7	6.0	-3.4	-5.5	-1.1	2.2	0.2	0.5	2.6
Gross National Product (GNP)	3.8	2.8	5.5	3.9	5.3	6.5	4.4	-5.3	-8.1	0.5	-1.6	1.8	2.0	2.7
<b>Expenditure on Gross Domestic (GDP) &amp; Gross National Product (GNP)</b>														
GDP at market prices € billion	€116.8	€129.9	€138.9	€147.6	€161.2	€175.8	€189.8	€180.0	€160.6	€156.5	€159.0	€161.8	€166.2	€173.4
GNP at market prices € billion	€97.8	€106.2	€117.2	€124.4	€135.9	€150.3	€161.2	€154.7	€130.2	€127.0	€123.9	€132.6	€137.2	€142.5
<b>Other economic variables</b>														
Unemployment (As % of the labour force)	4.0	4.6	4.7	4.5	4.4	4.4	4.6	6.3	11.8	13.9	14.6	14.7	13.6	13.1

<sup>163</sup> ESRI, Quarterly Economic Commentary, Summer 2010; [http://www.esri.ie/UserFiles/publications/RB20100201/QEC2010Sum\\_ES\\_Summary%20Table.pdf](http://www.esri.ie/UserFiles/publications/RB20100201/QEC2010Sum_ES_Summary%20Table.pdf)

<sup>164</sup> f: Figures for 2013 and 2014 are forecast.

<sup>165</sup> ERSI Quarterly Economic Commentary, Summer 2011; [http://www.esri.ie/UserFiles/publications/QEC2011Sum\\_ES.pdf](http://www.esri.ie/UserFiles/publications/QEC2011Sum_ES.pdf)

<sup>166</sup> ERSI Quarterly Economic Commentary, Summer 2012; [http://www.esri.ie/UserFiles/publications/QEC2012SUM\\_ES.pdf](http://www.esri.ie/UserFiles/publications/QEC2012SUM_ES.pdf)

<sup>167</sup> ERSI Quarterly Economic Commentary, Autumn 2012; [http://www.esri.ie/UserFiles/publications/QEC2012AUT\\_ES.pdf](http://www.esri.ie/UserFiles/publications/QEC2012AUT_ES.pdf)

<sup>168</sup> [http://www.esri.ie/UserFiles/publications/QEC2013AUT\\_ES.pdf](http://www.esri.ie/UserFiles/publications/QEC2013AUT_ES.pdf)

**7.1.2 Value of construction output in current prices (2006-2015f)**<sup>169,170,171</sup>

	2006	2007	2008	2009	2010	2011	2012	2013f <sup>172</sup>	2014f	2015f
Residential construction € billion	25.21	23.39	17.49	7.65	4.89	3.76	3.55	3.76	4.02	4.38
Private non-residential construction € billion	6.25	7.12	6.00	2.46	0.67	0.58	0.69	0.68	0.69	0.71
Productive infrastructure (civils) € billion	5.28	5.77	6.62	5.99	4.47	3.18	2.90	2.75	2.76	2.82
Social infrastructure € billion	1.89	2.33	2.48	1.95	1.67	1.17	0.93	0.89	1.02	1.07
Total output € billion	38.63	38.61	32.59	18.05	11.70	8.69	8.08	8.08	8.49	8.98
% residential	65.3	60.6	53.7	42.4	41.8	43.3	44.0			
Housing construction % GNP	13.5	11.4	7.9	2.8	3.9	3.0	2.8			
Annual house building cost index (1991 = 100) <sup>173</sup>	194.2	201.7	209.4	206.4	208.7	203.1	203.1			
Total construction output (% value change year on year)	-0.7	-2.1	-19.8	-50.1	-4.8	-25.7	-7.0			
Total construction output (% volume change year on year)		-0.6	-15.6	-34.2	-27.9	-20.9	-15.3	-3.8	5.1	5.8

<sup>169</sup> <http://www.dkm.ie/uploads/pdf/reports/2010%2010%20CIRO%20FINAL%20REPORT.pdf>

<sup>170</sup> <http://www.dkm.ie/uploads/pdf/reports/Irish%20Construction%20Industry%20in%202012%20DKM%20SCSI.pdf>

<sup>171</sup> <http://www.scsi.ie/constr2012>

<sup>172</sup> f: forecast

<sup>173</sup>

[http://www.cso.ie/px/doehlg/Dialog/varval.asp?ma=HSM09&ti=House+Building+Cost+Index+\(Base+Jan+1991=100\)+by+Month+and+State&path=../Database/DoEHLG/Housing%20Statistics/&lang=en](http://www.cso.ie/px/doehlg/Dialog/varval.asp?ma=HSM09&ti=House+Building+Cost+Index+(Base+Jan+1991=100)+by+Month+and+State&path=../Database/DoEHLG/Housing%20Statistics/&lang=en)



**7.1.3 Forest products production in Ireland (2006 -2014f)**<sup>174,175,176</sup>

Category	Unit	2006	2007	2008	2009	2010	2011	2012	2013f	2014f
Roundwood	1000 m <sup>3</sup>	2,671	2,710	2,232	2,429	2,618	2,635	2,918	2,938	2,796
Coniferous	1000 m <sup>3</sup>	2,654	2,682	2,203	2,346	2,514	2,513	2,787	2,797	2,645
Non-coniferous	1000 m <sup>3</sup>	17	27	30	83	104	122	131	141	151
Wood fuel, including wood for charcoal	1000 m <sup>3</sup>	15	32	52	167	181	195	208	224	250
Coniferous	1000 m <sup>3</sup>	5	12	24	87	78	74	79	85	100
Non-coniferous	1000 m <sup>3</sup>	11	20	28	80	103	121	129	139	150
Industrial roundwood	1000 m <sup>3</sup>	2,656	2,678	2,180	2,262	2,437	2,440	2,710	2,714	2,546
Coniferous	1000 m <sup>3</sup>	2,650	2,671	2,179	2,259	2,437	2,439	2,708	2,712	2,545
Non-coniferous	1000 m <sup>3</sup>	6	7	1	3	0	1	2	2	1
Sawlogs and veneer logs	1000 m <sup>3</sup>	1,789	1,725	1,359	1,497	1,425	1,391	1,580	1,600	1,605
Coniferous	1000 m <sup>3</sup>	1,782	1,718	1,358	1,494	1,425	1,390	1,578	1,598	1,604
Non-coniferous	1000 m <sup>3</sup>	6	7	1	3	0	1	2	2	1
Pulpwood (round & split)	1000 m <sup>3</sup>	760	828	734	678	893	936	1,000	975	811
Coniferous	1000 m <sup>3</sup>	760	828	734	678	893	936	1,000	975	811
Non-coniferous	1000 m <sup>3</sup>	0	0	0	0	0	0	0	0	0
Other industrial roundwood	1000 m <sup>3</sup>	107	125	87	87	118	113	129	139	130
Coniferous	1000 m <sup>3</sup>	107	125	87	87	118	113	129	139	130
Non-coniferous	1000 m <sup>3</sup>	0	0	0	0	0	0	0	0	0
Wood chips and particles	1000 m <sup>3</sup>	606	545	523	516	517	510	561	568	575
Wood residues	1000 m <sup>3</sup>	254	229	169	167	168	165	182	184	186
Sawnwood	1000 m <sup>3</sup>	1,094	985	696	774	772	761	837	849	852
Coniferous	1000 m <sup>3</sup>	1,091	981	696	772	772	760	836	848	851
Non-coniferous	1000 m <sup>3</sup>	3	4	1	2	0	1	1	1	1
Of which: tropical	1000 m <sup>3</sup>	0	0	0	0	0	0	0	0	0
Wood-Based Panels (WBP)	1000 m <sup>3</sup>	937	918	779	709	758	736	740	740	720
Particle board (including OSB)	1000 m <sup>3</sup>	436	440	377	329	358	278	280	280	260
Of which: OSB	1000 m <sup>3</sup>	308	310	270	274	291	278	280	280	260
Fibreboard	1000 m <sup>3</sup>	501	479	402	380	400	457	460	460	460
Hardboard	1000 m <sup>3</sup>	0	0	0	0	0	0	0	0	0
MDF (Medium Density Fibreboard)	1000 m <sup>3</sup>	413	396	340	340	360	373	375	375	375
Insulating board	1000 m <sup>3</sup>	0	0	0	0	0	0	0	0	0
Other fibreboard	1000 m <sup>3</sup>	88	83	61	40	40	85	85	85	85
Recovered paper	1000 mt	444	458	448	471	510	525	540	555	565
Paper and paperboard	1000 mt	0	0	0	0	0	0	0	0	0
Packaging materials	1000 mt	45	45	45	45	45	45	45	45	45
Case materials	1000 mt	45	45	45	45	45	45	45	45	45

<sup>174</sup> EUROSTAT / Irish JQ1 Return (2007-2013).

<sup>175</sup> f: figures for 2013 & 2014 are forecast.

<sup>176</sup> These figures are in cubic metres underbark.

#### 7.1.4 Irish timber imports and exports (2008-2012)

Table 37: Timber and paper products trade, volume and value (2008-2012)<sup>177</sup>.

	Imports									
	2008	2009	2010	2011	2012	2008	2009	2010	2011	2012
	000 m <sup>3</sup>					€ million				
Sawn timber	412	232	242	201	145	141	66	74	64	54
Wood-based panels	264	181	166	195	204	108	68	65	68	75
	000 tonnes									
Pulp products	29	32	41	54	47	20	22	31	45	45
Paper and paper-board products	526	379	370	383	415	520	308	313	333	339
<b>TOTAL</b>						<b>789</b>	<b>464</b>	<b>483</b>	<b>510</b>	<b>513</b>
	Exports									
	2008	2009	2010	2011	2012	2008	2009	2010	2011	2012
	000 m <sup>3</sup>					€ million				
Sawn timber	389	564	658	619	534	54	51	85	83	73
Wood-based panels	614	580	660	616	630	195	147	179	173	179
	000 tonnes									
Pulp products	2	0	1	0	0	0	0	0	0	0
Paper and paper-board products	77	45	33	59	68	69	45	44	52	51
<b>TOTAL</b>						<b>318</b>	<b>243</b>	<b>308</b>	<b>308</b>	<b>303</b>

Table 38: Overall balance of trade in the value of timber products (2008-2012).

	2008	2009	2010	2011	2012
	€ million				
Sawn timber	-87	-15	11	19	19
Wood-based panels	87	79	114	105	104
Pulp products	-20	-22	-31	-45	-45
Paper and paper-board products	-451	-263	-269	-281	-288
<b>TOTAL</b>	<b>-471</b>	<b>-221</b>	<b>-175</b>	<b>-202</b>	<b>-210</b>

Table 39: Self-sufficiency in sawnwood (2008-2012)<sup>178,179</sup>.

	Sawn softwood					Sawn hardwood				
	2008	2009	2010	2011	2012	2008	2009	2010	2011	2012
	000 m <sup>3</sup> UB									
Domestic production	696	772	772	760	782	1	3	0	1	1
Exports <sup>180</sup>	387	563	658	619	534	2	1	1	1	0
Imports	346	191	205	169	116	65	41	37	32	28
<b>TOTAL consumption<sup>181</sup></b>	<b>655</b>	<b>400</b>	<b>319</b>	<b>310</b>	<b>364</b>	<b>64</b>	<b>43</b>	<b>36</b>	<b>32</b>	<b>29</b>
% of sawn timber consumption supplied by domestic production	47	52	36	45	68	2	7	0	3	3

<sup>177</sup> Includes import/export figures for sawn timber, wood-based panels and pulp/paper products only. Data are taken from Ireland's EUROSTAT Joint Forest Sector Questionnaire (JFSQ) returns (2009-2013). Roundwood, sawmill residues and secondary processed timber products are not included.

Trade data for the JFSQ is provided by the Central Statistics Office (CSO); [www.cso.ie](http://www.cso.ie)  
<sup>178</sup> Central Statistics Office; [www.cso.ie](http://www.cso.ie) & EUROSTAT Joint Forest Sector Questionnaire (2009-2013).

<sup>179</sup> Due to rounding, there are slight differences between the values shown in Table 5 and Table 7.

<sup>180</sup> Sawn timber export data for 2010 has been revised. This is based on up-dated data provided by the CSO.

<sup>181</sup> Total consumption is calculated as follows: domestic production + (imports-exports).

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