

Minister announces IR£242m in forestry grants

The Minister for Forestry and Rural Development, Mr Liam Hyland, TD promised a balanced forestry programme when he announced details of a five year IR£242 million forestry package on May 19. The Minister said that under the new forestry package, which is part of the accompanying measures in the CAP reform, farmers would achieve the greatest increases in grant and premium payments. Farmers would now receive up to IR£300 a hectare for 20 years compared to IR£120 a hectare for non-farmers over a period of 15 years. He maintained

that the package was weighted heavily in favour of farmers and this was reflected in their planting returns which are now 75% of all private sector planting.

The forest estate covers almost eight per cent of the country and the National Development Plan sets a target of 10 per cent by the end of the century. the Minister said that the balance in future afforestation would be set out in the *Strategy for the Development of the Forestry Sector to the Year 2015* document which had received over 100 submissions from interested parties.

AFFORESTATION GRANT SCHEME (IR£/ha)			
	<i>Afforestation Grant</i>	<i>Maintenance Grant</i>	<i>Total Grant</i>
Unenclosed land	975	325	1,300
Enclosed improved land			
Non-diverse species	1,125	375	1,500
Diverse species	1,350	450	1,800
Broadleaf/conifer mixtures: <i>Approved species other than oak/beech</i>			
50% stocking of broadleaf	1,500	500	2,000
50% stocking of broadleaf	1,575	525	2,100
60% stocking of broadleaf	1,650	550	2,200
75% stocking of broadleaf	1,800	600	2,400
Oak/beech			
50% stocking of oak/beech	1,950	650	2,600
60% stocking of oak/beech	2,100	700	2,800
75-100% stocking of oak/beech	2,250	750	3,000

Source: Forest Service

FOREST PREMIUM SCHEME (IR£/ha)					
Land Category		Premium Rate			
Farmers					
Enclosed/improved land	Conifer		Broadleaves		
	non-diverse species	diverse species	ash/sycamore etc.	oak/beech	
	More severely handicapped	155	190	220	235
	less severely handicapped	190	220	250	265
	non-disadvantaged	220	225	280	300
Unenclosed land		130			
Others					
Enclosed/improved land		100		120	
Unenclosed land		80			

Source: Forest Service

Cost effective early thinning

The EU has decided to support the Concerted Action "Cost Effective Early Thinnings" (CEET) financially. Eleven countries of the EU and three EFTA countries have joined the programme. The programme will be co-ordinated by Pieter D. Kofman, Danish Forest and Landscape Research Institute, Vejle, Denmark. The duration of the project will be three years.

The complete title of the Concerted Action is: "Cost effective early thinnings in multiple-use forest with consideration to sustained yield and ecological and environmental conditions". This means, that the subject of the co-operation is not only focused on the economy of thinnings, but that the ecological and environmental factors are also considered.

The main purpose of the Concerted Action is to identify those common problems in harvesting early thinnings, that are suited to be solved

through co-operative research. At the same time these research projects should fulfil the objectives of the EU forest research programme. The Concerted Action is divided in three main projects:

- Environmental consequences of harvesting operation.
- Harvesting techniques.
- Thinning management.

Each project is the subject of a week long meeting, organised by the project leader. In each participating country a national contact has been appointed whose task is to collect and to distribute information to and from the Concerted Action.

Further information on the Concerted Action is available from Eugene Hendrick who is Ireland's contact person. He can be contacted at COFORD The National Council for Forest Research and Development, Agriculture Building UCD Belfield, Dublin 4.

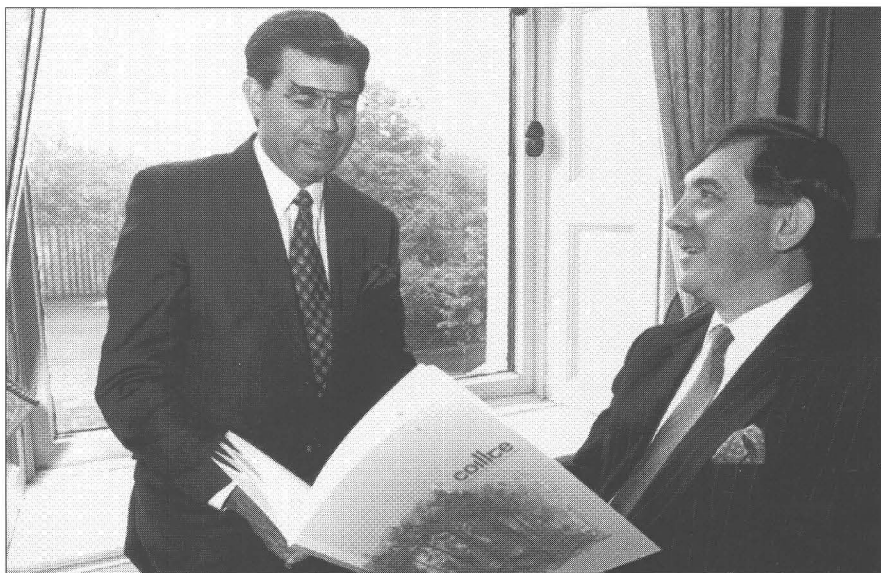
Coillte return to profitability

Coillte reported a IR£1.68 million profit in 1993 compared to a loss of IR£1.15 million in 1992. After a difficult first eight months, trading conditions improved considerably towards year end. Despite this late recovery a small fall in revenue from forest products was recorded. However, turnover showed a slight increase to IR£41.9 million which was due to an increase in non-core revenue from IR£7.2 million in 1992 to IR£8.0 million. This combined with reduced costs, increased EU planting incentives and lower interest rates helped Coillte to return to profitability. The company maintained its level of core borrowings at IR£15.00 million. The value of shareholders' funds increased by IR£34 million.

The medium term future for the company is positive. Profits for 1994

will increase considerably mainly due to the continued high demand and prices for logs. Coillte also plans to broaden the groups revenue base to reduce dependence on log sales especially after the cyclical downturn in timber prices experienced from 1991 to mid 1993. During the year Coillte reached agreement with the Louisiana Pacific Corporation to establish a plant in Waterford to manufacture oriented strand board (OSB).

A total of 11,248 hectares were planted, of which 6,827 hectares were afforestation and 4,421 were reforestation. The company failed to deliver on its promise of greater species diversification. Principal species planted were Sitka spruce (84%), Lodgepole pine (6%), Norway spruce (2%), Douglas fir (2%) other conifers (3%) and broadleaves (3%).



Pat Cooney, Chairman and Martin Lowery, Chief Executive, Coillte at Coillte AGM 1994

Minister launches research programme and announces agreement on Forestry Centre

The Minister of State at the Department of Agriculture, Food and Forestry, Mr Brian O'Shea, TD, launched *Pathway to Progress*, the first national research programme for forestry at the Industry Centre, UCD on the 13th July. The five year programme outlines the research needs of the major sectors of the forestry industry including reproductive material, silviculture, harvesting, and transport and wood processing sectors. In his introduction to *Pathway to Progress*, Mr Fergal Mulloy, Director of COFORD, stressed the importance of involving all sectors of the industry as this is pivotal to "maintaining competitiveness,

achieving a multi-purpose forest resource and providing sustainable employment."

Speaking at the launch, the Minister praised COFORD for producing a comprehensive evaluation of the research requirements of the forestry sector in Ireland. He also announced agreement in principle to the establishment of a Forestry Centre. The Minister said that this agreement is based on "the belief that there is an urgent need to establish a centre which will provide the necessary linkage between education, research and industry and to ensure that all of these integrate to achieve a common objective."



At the launch of Pathway to Progress (left to right): Mr. Brian Joyce, Chairman COFORD, Mr. Brian O'Shea TD, Minister of State at the Department of Agriculture, Food and Forestry and Mr. Fergal Mulloy, Director COFORD.