

Environmental Audit Committee

Oral evidence: Sustainable timber and deforestation , HC 637

Wednesday 29 March 2023

Ordered by the House of Commons to be published on 29 March 2023.

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Members present: Philip Dunne (Chair); Sir Christopher Chope; Barry Gardiner; Ian Levy; Clive Lewis; Caroline Lucas; Anna McMorris; Dr Matthew Offord; Cat Smith; Claudia Webbe.

Questions 266 - 378

Witnesses

I: Trudy Harrison MP, Parliamentary Under-Secretary of State (Minister for Natural Environment and Land Use), Department for Environment, Food and Rural Affairs; and Sir William Worsley, Chair, Forestry Commission.

II: Trudy Harrison MP, Parliamentary Under-Secretary of State (Minister for Natural Environment and Land Use), Department for Environment, Food and Rural Affairs; The Rt Hon the Lord Goldsmith of Richmond Park, Minister of State (Overseas Territories, Commonwealth, Energy, Climate and Environment),

Foreign, Commonwealth and Development Office; and Maggie Charnley, Head, International Forests Unit, Department for Energy Security and Net Zero.

Written evidence from witnesses:

[Department for Environment, Food and Rural Affairs](#)

Examination of witnesses

Witnesses: Trudy Harrison and Sir William Worsley.

Q266 **Chair:** Welcome to the Environmental Audit Committee for our final oral evidence session on our inquiry into sustainable timber and deforestation. We have two panels today and we are graced with ministerial presence on each. In the first panel we will be discussing timber production in the UK and the Government's tree-planting strategy. We are very pleased to have the Minister for Natural Environment and Land Use at DEFRA, Trudy Harrison. Thank you for joining us, Minister.

Trudy Harrison: Thank you very much.

Chair: We are also joined by the Chairman of the Forestry Commission, Sir William Worsley. Thank you for joining us.

I should just say at the outset that I have an interest in forestry on my family farm, a long-standing, over 100-year lease, under which the Forestry Commission manages a hillside that was provided on a peppercorn rent by my great-great-grandfather.

Thank you very much for joining us today. I am going to start, Minister, with you. The Government have an ambition to plant 30,000 hectares of woodland every year. This was last achieved in the 1980s and for the last four years we have managed to plant fewer than 15,000 hectares a year, around 13,500 each year. How confident are you that you can achieve anything close to your target, given the poor performance in recent

years?

Trudy Harrison: You are absolutely right, Chair. The ambition is certainly challenging, but necessary. It is also correct to say that 13,800 hectares of trees were planted across the UK during 2022. That breaks down to 2,300 in England that have been Government funded, 600 hectares in Wales, 10,400 in Scotland and 500 across Northern Ireland. In the environmental improvement plan, which was published on 31 January this year, following on from the Environment Act, we have set out an ambition to plant 7,500 hectares of trees from 2025, increasing that planting to 10,000 in 2030. In order to do that, we are working very closely with the industry, with strong political support, certainly from me and from the Secretary of State in the recognition of the benefit of trees for biodiversity, for nature, for cooling, for pollution. The fact that only 19% of the timber that we use in this country is grown in this country is a key motivator as well.

To answer the question about how we are going to do that, it is multiple things, a multipronged attack, looking at everything from supporting nurseries to have better insight of the demands to come, supporting the skills and developing apprenticeships with the sector, and sending strong political messages at every opportunity—as I did yesterday evening at the event that you hosted—that we are absolutely committed to tree planting for a range of tremendous reasons. We are working with industry to develop its sector strategy and looking at a sector deal as well.

Q267 **Chair:** Thank you. You mentioned planting just under 2,500 hectares in



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England. Sir William, you are responsible for roughly half of the woodland cover in England. Is that the right way to describe it or is it half of the woodlands?

Sir William Worsley: It is half of the productive, ie half of the conifer woodland. I cannot tell you exactly the percentage—Forestry England has just over 250,000 hectares—as a percentage of England’s forestry. The vast majority of forestry in England is owned by private landowners, institutions and so on. We, Forestry England, produce about half of the productive sawlog timber but we own a relatively small percentage of the forestry in the country.

Q268 **Chair:** With a target of trying to achieve 7,500 hectares of planting by 2025—that is three times the amount that was planted across the whole estate in England—what targets have you been set for Forestry England for the next three years? It would seem a very tall order to try to get to that two years out.

Sir William Worsley: Forestry England, until recently, was not allowed to purchase land to plant trees on. We were allowed to lease land, which we have been doing. There is a very good scheme just on the edge of York, for example, being done in conjunction with the York City Council, where we are leasing the land to do so. However, we have now been allowed to purchase, which is a good thing because what has been happening is that if we are not allowed to purchase any forestry, the Forestry England estate will gradually get smaller. As the older plantations, the mature plantations, get felled, they will be replanted but



they will be replanted in accordance with the UK Forestry Standard, which is a government standard for forestry. That will give more open ground, more broad leaves and redesign of old plantations.

Q269 **Chair:** In terms of the prospects of achieving the target, are you telling me that you do not have a target at the moment for the next two years?

Sir William Worsley: Forestry England does not have a target to grow. However, the Forestry Commission is very focused on persuading people to plant trees. With my Forestry England hat on, yes, we are trying to grow the estate. We do not have a specific target by which to grow it. With my Forestry Commission hat on, we have the target of trying to get to 7,500 hectares.

This is and always has been a hugely aspirational target. We have a new grant scheme that has been out now for just approaching two years. When we get a new forestry grant scheme there is always a reticence to plant initially when the grant scheme comes in, but we are seeing good growth in that. The applications are coming in. They are relatively small. The median is about 4 hectares so we have quite a lot of grants coming in.

Q270 **Chair:** I am going to stop you there because we are coming on to the grant scheme and how it works in a few moments.

Minister, the England trees action plan finishes at the end of next year, or during 2024. It is very light on what it means for timber. Are you developing some replacement plan for forestry and would this set out a



vision for timber in England? You touched in your opening remarks on the fact that we are so reliant on imports, and that is one of the drivers for this inquiry.

Trudy Harrison: Yes, and I have been tracking myself the 91 actions listed in the England trees action plan. It is absolutely right that we have a focus on reducing the dependency on importing timber; 19% is not where we want to be. That is 11.2 cubic metres of trees being felled now, increasing to 18 million cubic metres in the 2030s and going down to 15 million cubic metres in the 2040s. That will be when we achieve our peak; thereafter, there is a real concern that we will not have sufficient forestry to support our timber. That is why we are working with the sector, creating the road map, creating the strategy, looking at a sector deal and working with DLUHC as well to build in more timber requirements in construction. All those things will support the ambition that we have in the environmental improvement plan to achieve 16.5% tree canopy cover across England.

We are investing huge amounts in this, over £670 million, and part of the ELMS, the environmental land management scheme, is invested in tree planting as well. Whether it is for nature, cooling, pollution, timber, amenity, access, physical and mental health, right across government we are focused on increasing that tree planting, but timber and construction is a prime motivation for us.

Q271 **Chair:** I am interested that you mentioned ELMS. Will this be fully integrated with the Government's land use framework currently being



developed so that there is coherence for landowners and managers as to whether they are able to take advantage of ELMS schemes, woodland creation grant schemes or other schemes to make sure that they dovetail and are not in conflict with each other?

Trudy Harrison: Yes. The lion's share of the funding for tree planting comes from nature for climate funding—£670 million-plus. Countryside stewardship has been responsible for a smaller amount—over £10 million but less than £20 million of funding for tree planting. As we move away from the common agricultural policy towards an environmental stewardship role for farming incentives, it will include countryside stewardship plus the sustainable farming incentive and the big one, which is landscape recovery, where landowners will be encouraged to come together. All this is under the umbrella of DEFRA and the Environment Act. That is the cohesiveness that tree planting fits within.

Q272 **Chair:** You have just referenced all the different aspects of how trees can be enjoyed, either for business purposes or amenity purposes, and health and wellbeing. We have heard from stakeholders during the course of our discussions about the difficulties of there not being targets; that government policy has moved around a bit. You have just been very clear that timber is part of your focus, which it may not have been under previous Administrations. Are you proposing to introduce specific targets for timber production, for woodland, for conservation or biodiversity purposes, woodland for amenity?



Trudy Harrison: We are certainly looking at this. I am responsible for publishing the land use framework within my brief, which was a commitment in the environmental improvement plan. That is a devolved responsibility so we are just looking at England, working with the devolved Administrations in doing so. The focus on England is about understanding the different land uses on our relatively small island, about 13 million hectares, of which 70% is farmed at the moment, and understanding and working with the sector on what types of woodland are needed, and where, to support that social, cultural ecosystem but also making sure that we plant the right types of trees in the right types of areas, which is why we have the forestry standard as well.

Q273 **Chair:** Do you expect to produce sub-targets for different types of production, specifically whether we should have a target for conifer production in order to achieve a greater contribution towards timber use in the future from domestic supply?

Trudy Harrison: It would be premature of me to commit to that right now but it is something that we are considering for the land use framework, and I know that the timber strategy and the road map are focused on that as well. In the conversations that I am having, the industry would very much like to see a continued focus on timber.

Q274 **Chair:** Thank you. We will come on to that. Sir William, could you clarify for the Committee the Minister's reference to the 16.5% woodland cover? I am quite new to this, but it is very helpful to draw the distinction between woodland cover and woodland plantations.



Sir William Worsley: The government target is 16.5% woodland cover by 2050. Currently, we have just over 10% under woodland cover and the rest is trees in all other environments. If you look at London, London internationally is a forest because it has so much tree cover. It takes all the other trees in the country into account and that is how you get up to the 14.5%, and the target is 16.5%.

Q275 **Chair:** London is a forest and Birmingham is our most wooded city in England. We have just seen that come out in a headline. Does Forestry England have a plan for annual timber production from woodlands for the next 50 years?

Sir William Worsley: Yes, it does. To go back to the question you asked me before, Forestry England manages 15% of the woodland in England, so it is a relatively small owner. However, it does produce about 50% of the sawlog timber. We have a target of 2,400 hectares for bringing into partnership schemes. We do not have a target for the amount of forestry that we are helping to purchase. That is very much dependent upon opportunity and the like.

Q276 **Chair:** What do you mean by a partnership scheme? Is that an area for new planting?

Sir William Worsley: New planting. For example, if you are a landowner, like the City of York Council, and you have some land that you want to turn into forestry, we will come and plant it and we will then manage it for you and pay a rent for that.



Q277 **Caroline Lucas:** Carrying on from there, Sir William, 95% of new planting in the UK took place on private land in 2021-22. You have touched on it before, but can you say a bit more about why the UK estate forest services are planting so little new woodland?

Sir William Worsley: Because until recently we were not allowed to purchase land.

Q278 **Caroline Lucas:** You could lease it.

Sir William Worsley: We could lease it, but we have a very good grant scheme, the England Woodland Creation Offer, which effectively pays land managers to plant the land. There are lots of ancillary levels of grants for public access and all other things. The incentive is for land managers to plant their own land rather than lease it to us to plant. We are, however, getting various organisations like the National Trust interested in entering into partnership schemes. We are now being supported and are able to purchase for Forestry England and that will help, but our real incentive is to get private landowners, institutions, local authorities and so on to plant, using the various different grant mechanisms that we have in place.

Q279 **Caroline Lucas:** We have just established that Forestry England has a target to create at least 2,400 hectares of new woodland by 2026. How many hectares of new planting was Forestry England responsible for last year?



Sir William Worsley: New planting? Not a great deal because we were not able to purchase land.

Q280 **Caroline Lucas:** The figure that I have seen suggests that it is less than 5 hectares, which is so small as to be undetectable.

Sir William Worsley: It could well be. However, if we were not allowed to buy new land—yes, we do quite a lot of replanting, in fact we do a significant amount of replanting, but it is very difficult to do new planting unless you have the land in order to be able to plant on it.

Q281 **Caroline Lucas:** Are there no existing relationships with Government and other owners of land?

Sir William Worsley: The Minister has now said that she is happy for us to purchase, so hopefully Forestry England will be able to increase its landholding. What is important is that the state forest, which is the Forestry England forest, does not get smaller. It must stay the same. I sat many years ago on the Independent Panel on Forestry and one of the key things was that the Forestry England estate should not get smaller.

Q282 **Caroline Lucas:** Can you set out what concrete actions you are going to take in order to be able to increase the amount that you are buying? I am looking at these figures again; I cannot do the maths in my head. If in the last year it is less than 5 hectares and you have a target of 2,400, that is a big differential, notwithstanding I understand that until now you have not been able to use—



Sir William Worsley: Yes, the 2,400 hectares is leasehold, it is not purchased. We will purchase. We have to purchase on our own with our own resources, so we are limited as to what we can afford to do.

Q283 **Caroline Lucas:** Do you have enough money?

Sir William Worsley: Yes, I think that we do. I am perfectly happy with that. I am not asking for government money to buy land. Forestry England is a very interesting organisation. About 40% of our business is recreation. We are the biggest outdoor recreation providers in the country, and 60% of our income comes from timber. We do get opportunities to buy land on the edge of our estates, and it is encouraging to be allowed to look at that. However, the real drive needs to be the private sector. In that, I am talking about local authorities, institutions and private landowners, to get them to plant and manage trees.

Q284 **Caroline Lucas:** That 2,400 hectares, whether it is leased or owned yourself, is something that you are responsible for doing. I still do not get a sense of the action plan that is going to take you there.

Sir William Worsley: We have been in conversation with a number of organisations, like, for example, the York City Council, in order to persuade them to let us plant and manage. The challenge is that it is not the most exciting way of getting trees planted, because our grant schemes are pretty good.

Q285 **Caroline Lucas:** I am still worried that you are not going to hit that



target. However, moving on, to what extent are you planning to or are you allowed to participate in biodiversity net gain or carbon credit trading? Is that something that you are looking to as a way of being able to get the money to finance some of this?

Sir William Worsley: Carbon trading, which is a very immature market as yet, is possibly the most exciting thing with forestry. At the moment if you are a woodland owner you get income from timber. It is very difficult to get income from anything else. You might provide public access or whatever but getting any money from it is challenging. Therefore, there is very little economic incentive for people to plant trees because you will not get your income for a very long time. If we are able to trade carbon—earn money from carbon as woodland owners—that is really exciting.

Q286 **Caroline Lucas:** Coming to the Minister, have the Government assessed the potential for the public estate, including, for example, large landowners like the MOD, to contribute to afforestation goals and timber supply?

Trudy Harrison: Yes, certainly we have, but I would say that the public forest estate only represents about 16% of the total England forest area. It is about 258,000 hectares, although it was responsible for 47% of the timber that was provided. We certainly are and we are looking across other Government Departments as well. That is part of the Greening Government Commitments with Government Departments such as the Ministry of Defence, which has about 360,000 hectares of land, but much of that is tenanted.



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We do not, with our small island, have very much unproductive land. While it is easy to think of that vast swathe of land as perfect for tree planting, and in many ways it is, we also have to be mindful that that land is farmed or it is needed for training purposes. Obviously, national security is a prime concern, but we are certainly working with other Government Departments to roll out the 16.5% ambition for tree canopy cover.

Q287 **Caroline Lucas:** Is that written down somewhere so that one can see, Department by Department, how much they have in landholdings and how much of that is available potentially for tree planting? Is it as schematic as that?

Trudy Harrison: The Greening Government Commitments are published. In terms of whether that figure of the land available is written down anywhere, I cannot be absolutely sure of that right now. However, be assured that we are working across all Government Departments because 16.5%, 258,000 hectares, is not an insignificant number, but the priority is that remaining 84% that is privately owned.

Q288 **Caroline Lucas:** To sum up, it does feel, from the evidence from both of you, that a lot of pressure is on the private sector and it does not feel as if the public state-owned land is necessarily pulling its weight. That is my take on that.

Trudy Harrison: The lion's share of the funding is also available for those privately owned areas as well.



Caroline Lucas: Yes, I get that.

Trudy Harrison: To provide some assurance, the decision to allow the Forestry Commission to purchase land that would add to that public forest was a decision absolutely in response to that concern. There are many actions that we are now taking to ensure that we meet, to answer the Chair's point, the very ambitious target of 16.5% tree canopy cover, including a presumption to plant where there is environmental potential to do so in the least-risk areas, where there is a social and cultural acceptance of tree planting, and where there is an ecosystem in that area of timber and the provision of businesses in that area. It is also about increasing the skills sector. It is about making sure that the funding that we provide is for a sufficiently long period of time before thinnings might be possible and a commercial income would be available to those landowners as well. Like I say, it is a multipronged attack. Everything that is possible we are looking at extremely positively and very urgently.

Q289 **Sir Christopher Chope:** Sir William, can you put this in layman's language? How many trees are we expecting to be on a hectare of land?

Sir William Worsley: Oh, crikey, a hectare.

Trudy Harrison: I can help a little bit. It depends on the type of woodland cover that we are trying to achieve, whether it is for amenity where you would want to allow pathways through or whether it is commercial forestry, which might be more like 1,600 per hectare. That is an average. I want to stress that that is an average. It would be more



densely populated if you were looking at a commercial woodland and far less densely populated if it was more for an amenity area. In total, by 2050, we are looking at about 400 million trees across 250,000 hectares.

Q290 **Sir Christopher Chope:** Using that figure of 1,600 trees per hectare, the Forestry Commission over the next 10 years is going to chop down 734,400 trees in the New Forest and not replace any of them. Yesterday, in the presentation that was given, a slide showed that the minimum woodland creation opportunity, as a percentage of land area by parliamentary constituency, was deemed to be less than 7% in the New Forest east and west constituencies. Why are the Government speaking with forked tongue, with one side saying, "We are very keen on putting more trees into our English landscape", and the other side treating tree lovers, like a lot of my constituents, as vandals and cutting down so many trees?

Sir William Worsley: I cannot respond specifically to this particular example that you have given. However, there normally is a requirement to replant if you cut down trees. However, there is certain land on which trees have been planted that is inappropriate to replant; for example, deep peat and the like. The wrong land was planted and we have learnt the lessons from that. Areas have been put under trees that should not have been.

Q291 **Sir Christopher Chope:** Like the New Forest, are you saying?

Sir William Worsley: Not all the New Forest.



Q292 **Sir Christopher Chope:** Did William Rufus get it all wrong when he started planting trees in the New Forest?

Sir William Worsley: As a tree lover, I think that he was doing a great job, but there are various areas—I look at Kielder Forest up in Northumberland, again where there are areas of deep peat that were planted that should not have been planted. We would never plant them now. We have learnt a lot over the last 100 years. What we need to do is find land appropriate for tree planting to replace the land that is inappropriate, and get those trees established.

Q293 **Sir Christopher Chope:** Would you also accept that what is regarded as good land or bad land for tree growing is very arbitrary and it is also subject to the whims and vagaries of what happens to be trendy within particular environmental action groups? Over the years, south-east Dorset, south-west Hampshire and the Isle of Wight have found themselves on the receiving end of arbitrary policies that require the destruction of amenity trees and trees that are being grown for timber and are part of the landscape. You describe London as a forest, but now if you visit the New Forest, in many respects it is no longer a forest and it does not sound as though there is any intention to re-establish it as a forest.

Sir William Worsley: There are areas of land that we should not be growing trees on; not because that view is trendy but because we have learnt a huge amount. I chair the organisation that promotes forestry and I am very keen to get more trees planted. In terms of the land you are



talking about, following the fires that went on at Wareham Forest there was a big representation by the RSPB that it should not be replanted. You can argue whether that is trendy or not. Our job is to make sure we get the right trees planted in the right places.

We have the UK Forestry Standard, which sets the benchmark. The trendy thing to say—and I have used it myself—is, "Get the right trees planted in the right places". Actually, what we should be talking about is getting the trees planted that are appropriate to the UK Forestry Standard.

Q294 **Sir Christopher Chope:** As a final point, you keep talking about getting trees planted but, of course, what has happened in the New Forest and in other parts of south-east Dorset is the natural development of tree cover. It does not involve any human engagement. What is happening is that naturally developing woodland is then being cut down by people from the Forestry Commission. We are not talking about having to plant trees deliberately, mankind having to plant trees; these are natural trees, naturally growing, which are being destroyed wantonly.

Sir William Worsley: I wish I could give you a specific response to this because, to be honest, I am not aware of this. I will look into it and write to you with a response. What you are talking about—chopping down trees for the sake of it and not re-establishing them—is not what we are about at Forestry England. Our job is to get trees planted and to establish trees to produce timber. It is important. Timber is a great renewable resource.



I know the New Forest reasonably well and I would hate the idea of it ceasing to be a forest because there is a lot of wonderful forestry there. A huge proportion of the New Forest is owned by Forestry England and our job is to get trees established, planted and managed—management being very important. I would like to look into your challenge.

Q295 **Chair:** From what you have just said, it sounds to me as though you do not agree with a previous policy of some of your predecessors that natural regeneration should be used as at least a partial response to replanting.

Sir William Worsley: Natural regeneration is a partial way of planting. You need to have a seed source; it needs to be in the right place, in the right part of the country, and you need to be able to ensure that trees will establish.

Q296 **Chair:** For areas where you are not looking to extract timber?

Sir William Worsley: You could have natural regeneration if you are trying to extract timber, too.

Q297 **Chair:** Over what period? It would take much longer, surely, to produce—

Sir William Worsley: That is the challenge. One of the fashionable things to talk about at the moment is rewilding. It is the rage. There are some very good examples of some rewilding schemes—indeed, I did a rewilding scheme on my own farm 25 years ago—but I can tell you that the tree cover on that land is about 25% to 30%.

Q298 **Chair:** It is not useful for timber.

Sir William Worsley: It is not really useful for timber and it is also not really useful for carbon sequestration because the best way to get carbon sequestration in the short term is to plant conifers. They grow more quickly and they sequester more.

Chair: Thank you. You have provided, from last night's presentation, a chart showing that conifers, certainly over a 50-year period, have a much higher rate of sequestration. That is useful, thank you, and we will look at including that in our report. We must press on because I am conscious that we have a second panel starting in 20 minutes. If colleagues could be briefer than the example I have set, I would appreciate it.

Q299 **Ian Levy:** First of all, I would like to declare an interest. On our family farm in Blyth Valley we supply timber to the local community for log-burning stoves. That is timber that is brought in from a timber supplier in Northumberland.

Sir William, much of Forestry England's funding comes from its commercial activities. Given that the timber production on the Forestry England estate is due to decrease over the next few years due to pests and disease, how financially sustainable is the model that you have? Basically, to cut it short, can we balance the books?

Sir William Worsley: The answer to your question is that we have grown the recreation side of our business significantly. As I said, 40% of our turnover is recreation. We have holiday lodges and campsites. There



is a significant opportunity to develop that and we are very focused on it. We do need to replace some of the land that we are not replanting and, therefore, it is extremely important that we are able to buy, and plant, land.

There are a number of things that we cannot do, that we are not allowed to by law, and that is one of the things we are putting in our proposal. Some of these are limited by the Forestry Act. Renewable energy and things like that we cannot currently do. We would like to. We see that as an opportunity to increase our revenue.

I am very optimistic about Forestry England as a business because it is pretty well run and we have a good team. When I took on this role as Chair of the Forestry Commission I set out to ensure that Forestry England should be the exemplar of good forest management, but it is far more than pure forestry. It is a big land management business. You could compare it, perhaps, more with the rural side of the Crown Estate than a pure tree-growing business. Looking in the longer term at the financial viability and sustainability of Forestry England, I am optimistic.

Q300 Ian Levy: Lovely. Moving on, stakeholders have praised the quality of UK forestry standards but have pointed to a lack of enforcement and monitoring once a forest has been established. What would you say accounts for this, and do you need more resources to increase enforcement, or do you not see it as a problem?



Sir William Worsley: The answer to your question is that it would be very easy for me to sit here and say, “I want more money”, and of course that is what I would like to do, but I am also realistic about the financial challenges. If you give more money to me, why are you not giving it to the NHS or whatever? Over 99% of trees that are felled are fine, with felling licences and the like. We have a great team doing enforcement and they are pretty on top of the job. They are a bit behind targets at the moment but I am reasonably comfortable that we are on top of this.

Q301 **Ian Levy:** Why would you say you are a little bit behind targets? What do you think would account for that? Has that been the impact of Covid?

Sir William Worsley: It is having enough people to do it. It is to do with the labour resource.

On the productive forestry side, the conifer side, most conifers are certified under the Forestry Standards. They, by nature of remaining certified, must comply.

On planting schemes that we have grant-funded, for example, we do inspections and we check that the woods that we have funded are growing. In the last three years we have had very dry springs that have made it quite difficult to get trees established, and you need to do a significant beat-up, replacing the trees that have not survived, every year. I would expect, speaking as a forester, to be beating up at least for the next three years after you have planted. There was a programme on Sky News two weeks ago about a road scheme—I will not go into the



specifics—where a lot of trees had not been replaced. That is just bad forest management. You should be going in and replacing the trees that have not survived. Otherwise, you have to pay your grants back.

Q302 **Dr Matthew Offord:** You spoke earlier about not wanting to buy parcels of land but encouraging landowners and tenants to plant those trees instead. I wanted to ask you about the uptake of the England woodland creation offer. How many applications have you received, how many are being processed, and what figure does that represent in terms of the hectares planted?

Sir William Worsley: We have had 793 applications covering 5,574 hectares of new woodlands. A lot of those are in process at the moment. We are trying to speed up the way of doing it.

Q303 **Dr Matthew Offord:** Are they applications or have they been processed?

Sir William Worsley: Those are applications. I cannot give you the number that have been processed.

We are seeing significant uptake. The trajectory is moving in the right direction. Of the schemes in process, about 50% are being held by us because we are not moving quickly enough, but the other 50% of applications are missing information so they have to go back to the agents. It is moving in the right direction. We are looking at areas of low risk and trying to get a presumption to plant, which will ease the system, and I think that will move in the right direction.

Q304 **Dr Matthew Offord:** I realise that people often leave out information on



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any kind of application. Why are you moving so slowly?

Sir William Worsley: I think we are moving reasonably quickly. The chief executive—

Dr Matthew Offord: You said that you are moving slowly.

Sir William Worsley: Well, we have to get it right. We have consultation processes. Sometimes our consultees do not respond quickly enough and we want to be more robust with them. We have the woodland planning grant, when you have to go out to consultation, and then you get the woodland creation offer and you have to go out to consultation again. We are trying to move that so that there is only one consultation and people have to respond, as in the planning system, within 28 days; if they do not respond within 28 days, that is it.

We are doing a lot of work to try to speed up the system, to ease it. We have a lot of new members of staff who need training. We are seeing a speed-up. It is not as quick as I would like it but then I probably would always say that.

The chief executive of the Forestry Commission looks at any larger schemes on a monthly basis. One of the problems we have is that a lot of our applications are quite small so we want to be focusing on the larger applications if we possibly can. As I said, the median size of our applications is only about 4 hectares. There are an awful lot of them. We want to get bigger applications because it is just as easy to do a big application as it is to do a small application.



Q305 **Dr Matthew Offord:** Some of the grants do not cover the full cost of establishing and maintaining a mature woodland. We have been told that, as such, the grants are probably too low to encourage many people to plant trees because it is more financially viable to grow other crops, for example.

Sir William Worsley: I think the grants are pretty good. They are probably as good as they have ever been in my professional career. In my previous role as the Government's Tree Champion I met well over 100 different people involved in forestry, trees and everything in England. Out of those 100 people only about two people complained about the grant money, and this was even before we had launched the woodland creation offer. I think our grants are pretty generous. There are a number of top-ups you can get if you want to provide public access or for various environmental benefits.

I would respond by saying that I think our grants are good. They have just been uplifted. There is a 10-year payment of £350 per hectare to cover the management for the first 10 years, and we are looking that timescale. My response to you is to say that I think on the whole our grants are really pretty good.

Trudy Harrison: If I could just add to that, the England Woodland Creation Offer does provide 100% of grant funding up to £13,000 per hectare, and we have increased that management grant from £300 per hectare to £350 per hectare, as William says, for the next 10 years.



Sir William Worsley: It was encouraging that Government looked at the grant figures and upped them without any pushing to do so. I was very pleased about that.

Q306 **Cat Smith:** I have a couple of quick questions around timber in construction. Sir William, perhaps you would be best placed to answer my first question. What is the ambition and objective of the timber in construction working group and do you know when you expect its policy roadmap to be published?

Sir William Worsley: No, not on the timber in construction. I do know that there is a timber strategy. We have had timber forecasts for a long time but there is a timber strategy being developed at the moment. We at the Forestry Commission are very involved with it but it is being led by the sector, by Confor and the timber processing sector. This is about to go to final consultation and is due to be published in late April or early May. It will sit alongside the Government's timber in construction road map. This is about utilising home-grown timber in good quality applications like construction.

Q307 **Cat Smith:** We have already touched on it, but 80% of the timber that we use is imported and that is actually higher in the construction sector. However, there is quite a lot of variation between the component nations of the United Kingdom. I just wondered, Minister, if you were able to assess what you think to be the barriers to using timber in construction in England when it seems to be a lot higher in Scotland and a little bit higher in Wales. I wondered what the barriers were in England and how



you would envisage overcoming them.

Trudy Harrison: That is exactly why the timber in construction working group was put together. It has met three times already and it is looking at that. We are working with DLUHC to ensure that net zero is as important as safety in construction. We need to get both of those right. That is certainly the main aim for that working group, which feeds into the timber strategy and then a potential sector deal as well.

Q308 **Cat Smith:** The figures I have here are from 2016. Use in England is 23%, and as high as 83% in Scotland. How long would you expect it to take, Minister, to get a little bit closer to that?

Trudy Harrison: I am pleased to say it has got considerably better because in 2021 27% was used for construction, 39% of sawn wood produced by larger sawmills was used for fencing, and 25% was used for packaging and pallets. The remaining 9% went to other markets. It sounds like it has got a little bit better but it is not where it needs to be.

We are the second biggest importer in the world, second only to China, and I think that is an alarming fact. That is why we have put so much money into tree planting with such an ambitious target, supporting the sector—this is very much sector-led and Government supported—to identify the barriers, and then it is for us in government to bust them. That is what we are continually doing, including with a presumption to plant in areas where there is less environmental sensitivity, where there is a social and cultural keenness—areas like Northumberland have already been mentioned—where it is of real benefit to that economic



area, and where we can level up rural areas as well. That is what this working group is looking to identify with us, working with DLUHC as well.

Q309 **Cat Smith:** I am conscious of time but have a final question. Would the Government look at what the Welsh Government are doing in terms of timber for construction in social housing? Is that something that could be replicated in England?

Trudy Harrison: Certainly, we will work across devolved Administrations, keenly looking at what Scotland does as well. I know that officials meet very regularly with all devolved Administrations. This 30,000 hectares in 2025 is a UK-wide target. The climate sees no boundaries and we will learn from anyone, both in our devolved Administrations but internationally as well, as we will probably talk about in the next session.

Q310 **Barry Gardiner:** Minister, you have the land use framework that is being published in 2023. Can you give us an update on when?

Trudy Harrison: I am looking at a phased approach at the moment. Across the DEFRA group, I am hoping that can be published before the summer recess. Really we are talking about July. I very much hope that other Government Departments will be involved as well.

The process at the moment is identifying the data. There are a number of stakeholders who are already involved. The Lords has already produced a report speaking to land use frameworks. It is understanding the data and understanding how those 13 million hectares in England are used at the



moment, which uses are exclusive and which uses can be inclusive, because that is the utopia, to find the inclusive areas where we can have energy generation, for example, alongside food production.

Q311 Barry Gardiner: In the Government's response to our 2021 inquiry, they said that Forestry Commission's low-risk land map for woodland creation already provided an easily accessible broad screening of the major environmental constraints and sensitivities affecting forest projects. How much of that has been incorporated into the land use framework that you are about to publish?

Trudy Harrison: In terms of the impact assessment that is required, you are quite right that it is not necessary all the time to have the in-depth environmental impact assessment ahead of tree planting. We are potentially conflating two issues here and it is possibly my misunderstanding. When I was referring to the presumption to plant and an accelerated programme for lower-risk environmental areas—not SSSIs and not protected landscapes, for example—that is what we are working on. In terms of the land use framework, what we are doing at the moment is assessing what data we have about what particular terrestrial land across England.

Q312 Barry Gardiner: I understand that. The Forestry Commission has already identified its risk register map, if you like, for woodland creation, and that identified 3.2 million hectares that could be planted without compromising other areas such as suitable agricultural land, peat bog and so on—all the things that Sir William has already mentioned about getting



the right tree in the right place. What is holding you back from getting on with the planting at a landscape scale now? It seems that you do have that basic information of where it would be possible, to the tune of 3.2 million hectares, to get on with it.

Trudy Harrison: We do not necessarily own that land. When only 16% of the forestry in this country is publicly owned I think that sets out the challenge, which is exactly why we have moved away from an area-based payment for farmers, for example, and we have ELMs, which will incentivise farmers to embark on more tree planting—

Barry Gardiner: Woodland creation.

Trudy Harrison: —as they so wish, but this is private land. There are other barriers as well.

Q313 **Barry Gardiner:** Sorry, I am conscious that the Chair is pressed for time because we have the second panel. What is concerning me here is that you know what needs to be done, you have determined that somebody else is going to do it, and you are providing increased incentives for them to do it. That much you have explained. But what is absolutely and abundantly apparent is that the present structure is not going to get you to your tree planting targets in time.

Trudy Harrison: Well, we are halfway there this year in our tree-planting targets but the need to—

Barry Gardiner: What that means is a 50% failure this year.



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Trudy Harrison: Which is why we have increased that management grant from £300 per hectare to £350, for example.

Q314 **Barry Gardiner:** Are you confident, Minister, that when you come back before the Committee next year you will be back on target because of the increase in grant funding that you have predicated?

Trudy Harrison: Not just that. We are also focused on the presumption to plant, ensuring that we have enough people, 32,000 people working in the sector—

Q315 **Barry Gardiner:** Minister, you are confident that next year we will be hitting those targets?

Trudy Harrison: I am confident that we will be in a much better place, but it will not be because of one or two actions. It will be because of a multipronged attack working with private landowners and the public forestry.

Q316 **Barry Gardiner:** Sir William, we have been told of the opportunity mapping that the Forestry Commission has done of land that is suitable for planting. How will the analysis be used to assist with the grant approvals?

Sir William Worsley: I have that map sitting in front of me at the moment.

Barry Gardiner: I wish I had.



Sir William Worsley: I can pass it to you. What we would like to see is a presumption to plant in this land. There is, we believe, just over 3 million hectares of land that is low risk. Obviously, we must persuade the managers and owners of that land that planting trees is the right thing on that land, but in order to hit our targets we need 250,000 hectares, which is under 10% of this land. To give you an example, Germany between 2018 and 2020 lost more than 300,000 hectares due to a fire and drought. That puts it into perspective. It is not unachievable.

Q317 **Barry Gardiner:** They lost?

Sir William Worsley: That is what they have lost.

Q318 **Barry Gardiner:** That is 10 times as much as we are proposing to create.

Sir William Worsley: No, it is exactly what we are proposing to create.

Q319 **Barry Gardiner:** 30,000 hectares?

Sir William Worsley: No, sorry, I am talking about our long-term target.

Q320 **Barry Gardiner:** Your long-term target. They lost that in a year, didn't they?

Sir William Worsley: No, in three years. That shows a lot about risk.

In trying to answer the question you have asked the Minister, we are moving in the right direction. It is taking longer than we would like it to take. Will we be on target this time next year to be planting 7,500



hectares? I would love to say yes but I think it is probably unlikely. However, I think the trajectory will be on the way towards that.

Q321 **Barry Gardiner:** Will the analysis be used to replace full environmental impact assessment in some cases and, if so, what risk mitigation will you be putting in place instead?

Sir William Worsley: The first thing is to understand the low-risk land we are looking at. To do an environmental impact assessment the requirements are fairly high. It is an expensive thing to do and we are trying to push tree planting. In most cases an environmental impact assessment is not required. If it is low-risk land we want to see a presumption to plant and that will mean that we can progress the planting schemes far more quickly.

Q322 **Barry Gardiner:** The answer to the first part of my question is yes. What is the answer to the second part of my question about the mitigation that you will be putting in place where it is necessary?

Sir William Worsley: The mitigation is the work done to work out what land is low risk.

Barry Gardiner: That has already been done.

Sir William Worsley: Correct.

Q323 **Barry Gardiner:** Is there no further mitigation? If it has been identified as low risk the presumption is to plant and there will be no environmental impact assessment in those areas?

Sir William Worsley: There will not necessarily be an environmental impact assessment but, of course, we do have the UK Forest Standard to which we have to plant and we believe that is the right benchmark to which to work.

Q324 **Barry Gardiner:** When you were developing that approach, did you work with Natural England to identify areas of low ecological risk?

Sir William Worsley: We work very closely with Natural England. We work very closely with the Environment Agency. In fact, after this meeting I have a meeting with the chairs and chief executives of both those organisations. It is extremely important that we work closely, particularly with Natural England, because we have to get it right.

Q325 **Barry Gardiner:** Natural Resources Wales told us about the fallow period that it uses following clear-felling to reduce pest risk in the new plantation, but it also said that it might be to defer planting costs. What is Forestry England's restocking policy?

Sir William Worsley: We like to restock as soon as we can. If you do not restock, one of the problems is that you get regrowth on the site, and it makes it more expensive to plant. Quite often when planting is not done it is for financial reasons, because it is expensive. Speaking as a forester, I want to get on and get that land re-established, because if you leave it two, three, four years regeneration has already started, but also your next crop is going to come two, three or four years later.

Q326 **Barry Gardiner:** How do you get rid of the pests?



Sir William Worsley: In some areas you need to leave it and manage it, where there is a pest issue—

Q327 **Barry Gardiner:** But the cycle of the pest is such that, a year or so after the clear-felling, the pest peaks as a result and you are likely to get it coming back in the new replanted stock.

Sir William Worsley: If you have a major pest problem on a site, then you must look at that specifically related to the pest. If it is a normal site on which you do not have a pest problem, which is frankly the majority of sites, then in my view you want to get on and replant as quickly as you can.

Q328 **Barry Gardiner:** Do you use pesticide?

Sir William Worsley: I am not sure, is the simple answer.

Q329 **Barry Gardiner:** Could you write to us with that? We understood—

Sir William Worsley: The answer is no, we do not.

Q330 **Barry Gardiner:** Thank you. We were advised by Natural Resources Wales that that was the alternative that you used to its policy of waiting after a clear-felling.

Sir William Worsley: That would be a way of doing it. In the perfect world we want to get replanted as soon as we can. Obviously, there are economic reasons as well as pest and disease reasons that you might do otherwise, but the principle is to get on and get established.

Q331 **Chair:** I have three quick-fire questions to conclude this panel. Minister, I



am unclear about whether the timber in construction road map is going to be published by DEFRA this year. It was meant to be published last year.

Trudy Harrison: It will be published later this year.

Q332 **Chair:** Can you give us a month or a quarter when we can expect it?

Trudy Harrison: I cannot, but I do have it in black and white that it will be published this year and I too am disappointed that it was not published last year. I stress that this is sector led. We are working with the sector, supporting the industry every step of the way. I had this discussion with stakeholders a couple of weeks ago and in the next few weeks I hope to have the strategy and then the road map would follow on from that.

Q333 **Chair:** Understood. Thank you. We had evidence that sawmill timber production is going to go through a significant dip in 20 years' time as forests get reduced. Do the Government intend to do anything to maintain the fabric of sawmills in the UK so that they have not all disappeared by the time the trees are ready to be reprocessed in decades to follow?

Trudy Harrison: I cannot answer that. I am sure that will be part of what the industry identifies as a potential barrier, so when that is provided to me as part of the strategy that the sector is working up, we will look at that. There are 32,000 people employed in the timber sector.



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We want to grow it, not reduce it. I think the answer needs to be yes, but I am not over the detail of that challenge.

Q334 **Chair:** We will look for that in the timber in construction road map when you publish it.

Sir William Worsley: Can I give you some statistics on the forecast of availability of timber? We are currently forecast to produce 15.1 million cubic metres today, and that will increase to 18.2 million cubic metres in 2037. Then that will decline to 15.5 million cubic metres, or effectively the current level, from about 2042. It is not as disastrous as it was originally thought to be, however—

Q335 **Chair:** I think it has been over 20 million cubic metres in recent years, hasn't it?

Sir William Worsley: Yes. However, we do need to—

Q336 **Chair:** We are operating now at about three-quarters of what we have been operating in very recent years.

Sir William Worsley: This is why we need to increase the productive forestry that we have in the country from the current level. After all, we have planted about 7% conifer in the last 22 years.

Q337 **Chair:** But we will not be able to achieve that by the 2020s, 2030s and 2040s because it takes more than that time to grow.

A final quick-fire question and it follows on neatly. We import most of our hardwood requirements from countries such as France, where they have



established commercial broadleaf plantations. Does either Forestry England or the Department have any plans to develop or encourage commercial hardwoods in the UK?

Sir William Worsley: One of the fundamental problems with commercial productive hardwood in the UK is the grey squirrel. I think the cost of the grey squirrel is about £37 million a year, and that makes it extremely difficult to grow quality hardwoods in England.

Q338 **Chair:** Thank you. I am going to let the Minister conclude because I know she is an expert and leading national champion for the red squirrel.

Trudy Harrison: She is indeed, certainly in Cumbria and Northumberland, where we have that last remaining stronghold in many respects. We are developing our grey squirrel action plan, but also a deer management plan. Both species present a risk to our forestry ambitions and this will be better certainly in respect of the deer management plan for that species as well.

Chair: Thank you very much. We are going to conclude our first panel now. Therefore, thank you very much indeed, Sir William Worsley, and Minister, you are going to stay for the second panel. We are about to be joined by Lord Goldsmith. I will pause the session while that change takes place.

Examination of witnesses

Witnesses: Trudy Harrison, Lord Goldsmith of Richmond Park and Maggie Charnley.

Q339 **Chair:** Welcome back to the Environmental Audit Committee for our second panel of this session on deforestation internationally. We welcome to the panel Lord Goldsmith, and can you introduce your colleague?

Lord Goldsmith of Richmond Park: Maggie, introduce yourself. She is our forest guru in the Foreign Office.

Maggie Charnley: I am the senior official in charge of the Government's International Forests Unit, which sits between FCDO and the Department for Energy Security and Net Zero.

Q340 **Chair:** Thank you, Maggie. Trudy Harrison, the Minister, who was with us on our first panel, is with us again for this. We are grateful to you for staying.

We will start, Lord Goldsmith, with the global Glasgow Leaders' Declaration on Forests and Land Use at COP26, which was followed up with the Forest and Climate Leaders' Partnership at COP27. Could you explain why you think these initiatives are going to succeed where previous ones have failed?

Lord Goldsmith of Richmond Park: That is quite a tough question. I think there are several reasons why. First, for those who are not familiar, it is now 145 countries. It was 141 at the time in Glasgow. Between them they account for around 90% of the world's forests and their commitment is to halt and reverse deforestation by the end of this decade.



The reason I think this is going to work is, first, it was the most high-profile such commitment that has been made. Secondly, we had, alongside that commitment, equivalent commitments from the private sector, so the big commodity traders made the same commitment that they would change their buying practice in line with that overall goal. That had an immediate impact on some of the more reluctant countries, such as Brazil under Bolsonaro, who signed up against expectations but precisely because of that private sector intervention. We also had commitments from the big multilateral development banks, including even the World Bank under Mr Malpass, who himself is not particularly keen on the environment or climate change. All those things together are mutually reinforcing and I think, therefore, we can afford to be optimistic.

Q341 **Chair:** What will the UK do to turn pledges into action?

Lord Goldsmith of Richmond Park: We made a financial commitment. We secured commitments worth around US\$20 billion, which we announced in Glasgow, and we committed £1.5 billion ourselves. I am not sure if we did that publicly at the time, but anyway it is £1.5 billion. That is part of our international climate finance, which is a total of £11.6 billion. With that money, we will continue some existing programmes, we will start new programmes and we will do everything we can to get the best possible value for money, but our influence goes much further than £1.5 billion.

On the back of the Glasgow Leaders' Declaration we created the FCLP, which you mentioned in your question. The idea is that that now is an



annual event. Each COP will have a high-profile leader-level FCLP where countries report back on how they are doing in relation to their commitment. This will happen. UAE has already agreed to it. We had it in Egypt and it will continue.

Out of the FCLP there are other initiatives, the most exciting of which is the idea of creating forest and nature equivalents of the JETP partnerships for energy. We had the JETPs that were announced in Glasgow for Indonesia, Vietnam and South Africa. There is a massive focus on those countries to get them through the energy transition. We want to and are creating equivalent partnerships but for forests and nature.

Q342 **Chair:** You mentioned the £11.6 billion. Was the £1.5 billion dedicated to forests new money or was it carved out of an existing commitment?

Lord Goldsmith of Richmond Park: It was part of the £11.6 billion, but the £11.6 billion was a relatively new commitment. We committed under Boris Johnson to double our climate finance to £11.6 billion and the extra £0.5 billion had not been allocated, but it has now and in total £3 billion of that at least will be spent on nature, although the entire thing is now being aligned not just with Paris but also with what was agreed in Montreal a few weeks ago.

Q343 **Chair:** This is to be spent over five years. How much has been committed thus far and how much of that has been spent where?

Maggie Charnley: I do not have the numbers at my fingertips.



Q344 **Chair:** Could you write to the Committee and tell us how you are planning to profile that spend, what has already been committed, what has been spent and what has been earmarked for the future, with some idea of where it is going—that is, which country and what the project is?

Lord Goldsmith of Richmond Park: It is a very important question. Given that the last year of spending will be conducted by whoever forms the next Government and given that that could very easily be the current Opposition, it is important that this Committee asks for and gets as much transparency as possible about how much money is being spent. We do not want to end up in a position where the first year of the next Government they face an impossible task to meet that obligation.

Chair: I am not going into the premise of your answer, but I have never heard a Minister encouraging our Committee to encourage greater transparency in the answer before, so we are grateful to you for that and look forward to what Maggie will be sending us.

Q345 **Dr Matthew Offord:** I have a slightly technical question, which is: when is the forest risk-monitoring due diligence system and supporting legislation that was introduced under the Environment Act going to come into force? When are you going to come forward with the secondary legislation?

Trudy Harrison: As soon as we possibly can. That was a commitment in the Environment Act. We are working that up now. There is secondary legislation required to put the detail on to that.



Q346 **Dr Matthew Offord:** You are not going to tell me the date, so tell me some of the detail.

Trudy Harrison: Some of the detail is about essentially ensuring that products that come into this country are not a product of illegal deforestation in other countries. That is in a nutshell what we want to achieve, so when people are buying cocoa or soya or other products on UK shelves they can be confident that they have not contributed to the illegal deforestation in other countries. We are working very closely with DBT, the Department for Business and Trade, and looking at which organisation will have the oversight on that particular fairly complex piece of legislation, but also the operational aspects in working with so many businesses across the UK as they procure.

Q347 **Dr Matthew Offord:** Let me stop you, because we are short of time again. What kind of companies? You have spoken there about producers. What is their turnover? What kind of enforcement body do you envisage?

Trudy Harrison: These are the aspects that are being worked up. OPSS, for example, is one organisation that deals with this at the moment, the forestry standard aspect. In terms of the size of company, those are exactly the details that we are working up. Of course, we want to grow the economy, but we also want to mitigate the impacts of illegal deforestation. Those are the details, and you would only hope that we would put sufficient planning into this to get it right, to ensure that it is not a significant detriment to UK businesses, but at the same time it is standing on a very proud stage of being a leader to the rest of the world.



Q348 **Dr Matthew Offord:** You have undertaken the consultation?

Trudy Harrison: We have. That has concluded.

Q349 **Dr Matthew Offord:** What indication did that give you of how you see the system working?

Trudy Harrison: It certainly highlighted that we need an established, trusted organisation to oversee this, which is very close to government. I mentioned OPSS as one example, but it has also highlighted the complexity. From a very small company procuring soya or cocoa, for example, to large food producers, it needs to work for all. We do not want to endure any unintended consequences.

Q350 **Dr Matthew Offord:** It is very difficult to ensure any kind of compliance, particularly with any forest governance. How will you ensure that compliance happens?

Trudy Harrison: We have some precedent with UK timber regulations, for example, with timber coming into the country. We are not necessarily reinventing the wheel here, but you are quite right to state that it is complex, and that is what the teams are working up now ahead of that secondary legislation.

Lord Goldsmith of Richmond Park: Could I add one sentence? You are right, it is more complicated. Timber is a good example of where it works, but even palm oil in Indonesia is pretty well understood. The level of illegality is miniscule as compared, for example, with Brazil and other countries. With the traders' commitment that was made in Glasgow, the



one sector that is impressing us is the palm oil sector. Other sectors are miles behind, but if palm oil can do it, others can do it.

Q351 Dr Matthew Offord: That is very helpful. Schedule 17 of the Environment Act only requires that forest risk commodities are legally sourced rather than deforestation free. A lot of people have criticised that. Do you not feel that is a drawback?

Trudy Harrison: We will legislate at the earliest opportunity on that particular aspect. I also draw attention to the fact that around 90% of deforestation around the world, legally or illegally, is because of agriculture. The other thing that we can say to other countries, as we have moved away from the area-based common agricultural policy to the environmental land management, is to explain how we are doing this in England—of course, it is a devolved responsibility—and I think that is an important step that we can take, to work with other countries as they transition their public subsidies in agriculture away from causing deforestation and environmental harms.

Lord Goldsmith of Richmond Park: Very quickly, if we are going to get to where we all want to get to, which is breaking the link between agricultural commodity production and deforestation, it is going to require partnership. The approach we took was deliberately designed to maximise the likelihood of partnerships. For example, I had a meeting this morning with Indonesian counterparts and they are working with us in a way that we have never been able to work with Indonesia in the past. If you look at the totality of their vision in relation to nature,



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peatland restoration and protection of forests, it is probably the most ambitious package that any country anywhere is offering, and they have a pretty good record of delivering when they say they will. This approach that you have just heard is being vindicated through the partnerships that we have been able to form.

Q352 **Dr Matthew Offord:** I am not going to get from the Minister when she is going to bring forward the secondary legislation, but I do know that the legislation will need to be renewed every two years. Could we hope that in the future the deforestation-free requirements may be included?

Trudy Harrison: I am afraid I cannot commit as I know you would want. I am certainly happy to write to the Committee with as much detail as I possibly can on that slightly more technical point.

Q353 **Barry Gardiner:** Minister, I want to focus on mandatory due diligence in this area. You will be aware that the Forest 500 report that came out in February this year said that, "... 40% of the companies and financial institutions with the most exposure to and influence on tropical deforestation still haven't set a single policy on deforestation." When are you going to move to mandatory?

Trudy Harrison: We have set out an approach following the Environment Act towards secondary legislation on forest commodities. We also have the international climate finance fund—

Q354 **Barry Gardiner:** Sorry, that was not my question. Are you considering moving to demanding mandatory due diligence under schedule 17 to the



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Environment Act and making sure that—

Trudy Harrison: I am going to revert to Mr Goldsmith on the international matter.

Lord Goldsmith of Richmond Park: The answer is that ultimately the Treasury makes that decision, but if you look at the text of what was agreed in Montreal CBD COP15 the language was closer to committing countries to mandatory regulation than any equivalent document or agreement to my knowledge. I think we are on a pathway towards the mandatory reporting that is required under the TCFD and it is not a stretch to imagine that soon we will be in a position to do the same with TNFD, the Taskforce for Nature-related Financial Disclosures. It is certainly my view that we are not going to be able to get to where we need to without mandatory reporting. It is in the pipeline. I cannot tell you when it is going to happen, but I am sure it will happen.

Q355 **Barry Gardiner:** I am heartened, Minister, to hear you say that you think we are not going to get there without mandatory reporting, but that seems to simply prompt the question of how we can get there more quickly.

Lord Goldsmith of Richmond Park: Sorry, if you do not mind me emphasising, my prediction based on discussions that I have been having within government and also what was agreed in Montreal is that we will get to mandatory reporting. This is not pie in the sky wild optimism. I think that is a realistic assessment.



Q356 **Barry Gardiner:** The European legislation now sets out incredibly clear new norms on traceability. For every single shipment coming into the EU you would need geolocation of the plot of land that it was produced on. That is the norm they are now introducing. What plans do we have to ensure that that is the norm for us?

Trudy Harrison: I am afraid I will have to write to the Committee on that specific matter. My focus in DEFRA is the UK brief; it is the tree planting and timber in the UK, and I am not familiar with that particular matter. I am very happy to write to the Committee with a response.

Barry Gardiner: Thank you. If that could cover the comments that we have received certainly from Global Canopy and others, which stress that mandatory due diligence is absolutely critical for the financial sector here, then it would be much appreciated.

Q357 **Anna McMorris:** Lord Goldsmith, like my colleague I am heartened to hear that you are pushing for mandatory due diligence, but as a result of demand-side legislation for commodities within schedule 17 producer countries face increased bureaucracy and pressures to deal with it. How are we working with those countries to ensure that they will comply, but also with smaller farmers, producers, co-operatives, who are incredibly important, such that our demand is sometimes putting pressure and paying perhaps not a living wage, a standard wage or even a minimum wage? How do we ensure that there is fairness within the system?

Lord Goldsmith of Richmond Park: It is an important and challenging question. There is no simple answer. It is something that legislators and



regulators must bear in mind. I do worry a bit about the European approach. I think it will favour the fat cats and will make life very difficult for many of the smallholders. We must keep our eyes always to the outcome that we want and not obsess too much about process. For example, Indonesia has a slightly different approach to that demanded by the European Union, but the outcome is pretty much exactly what the European Union is asking for.

My view is that we should have a slightly more flexible approach. At the same time, a lot of the money that we are investing through ODA and ICF, which Maggie is in a much better position than I am to talk about, is directed at supporting smallholders and ensuring that they have the best possible livelihoods, increased profitability and better access to markets. We have some phenomenal projects that are working and if you have time I would love to put Maggie on the spot and ask her to boast a bit about that.

Maggie Charnley: I was going to add a point before we come on to the programming. That question of fairness is a good one, and we do have a range of climate programming focused specifically at smallholders. I also think one of the important aspects of our wider diplomatic role, and coming to an extent out of our COP26 presidency, is a partnership formed between the big producer and consumer countries through the Forests, Agriculture and Commodity Trade dialogue, which by coincidence is meeting in London this week in person for the first time since being established. That brings together the big producer countries—Indonesia,



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Malaysia, Brazil and Colombia—with the big consumer markets, including the US, the EU, UK and China as an observer. That is there to talk about what common policy reforms are needed, what the support framework is, the enabling mechanisms.

That dichotomy between producer and consumer is sometimes a bit of a false one. We know, for example, that the majority of beef produced in Brazil is consumed in Brazil. Half of the palm oil produced in Indonesia is for the domestic market. By working together on the kind of reforms that Minister Harrison spoke about in terms of agricultural subsidies and that enabling environment, by working in partnership together, we can all move forward.

That point around smallholders is well made. As Lord Goldsmith mentioned we have £1.5 billion committed to forests. A lot of that is on the drivers of deforestation, rather than focused on the conservation of forests. The drivers vary from country to country. In Brazil it would be the bigger agricultural commodities players, but that is much less true in much of west Africa and south-east Asia, for example, where it tends to be smallholders. When you want to tackle deforestation the only way to do that is to offer an alternative source of income that makes it more worthwhile to work with the forests in your patch than to cut them down.

We have a range of programming that looks at, for example, alternative livelihood through non-timber forest products, and that is our Partnerships for Forests programme. It has been running for a decade and we are looking for the next decade phase. We have the Forest



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Governance, Markets and Climate Programme that works with communities to build a national consensus around the kind of governance that is needed within a forest country to protect forests in the long term, so building resilience into the system.

We also look at things such as forest carbon markets, but a lot of attention now is given to how to make the benefits of those flows reach the people who deliver the change on the ground.

Q358 **Anna McMorris:** You mentioned the Forest Governance, Markets and Climate Programme, which I understand is due to end this month. Is that correct?

Lord Goldsmith of Richmond Park: The first tranche.

Q359 **Anna McMorris:** Is it going to be replaced or extended?

Lord Goldsmith of Richmond Park *indicated assent.*

Q360 **Anna McMorris:** It is? Okay. That is good to know.

Maggie Charnley: It is one of the longest running programmes. I think it has been established for just over a decade. We are going to put a bridging mechanism in place to take us through to the second phase, which is still going through approvals.

Q361 **Anna McMorris:** Is it going to be extended with other forest risk commodities?



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Maggie Charnley: Yes. We are looking to extend, for example, into mining, and into some of the other agricultural commodities that you have been discussing today.

Q362 **Anna McMorris:** That is good to hear. However, I have recently had a meeting with Tony's Chocolonely, for example, which is operating in Ghana and Côte d'Ivoire. It has a fairness programme built into its system where it will not pay under a certain amount and it works with local producers. However, the big producers operating in the UK are exploiting many of the workers within those countries. I will not mention them here, but they well know who they are and you will know who they are. What can you do to prevent this happening within the standards and the new legislation that is coming into force?

Lord Goldsmith of Richmond Park: By the way, I think you should name the companies.

Q363 **Anna McMorris:** Okay, Cadbury.

Lord Goldsmith of Richmond Park: I think that is a useful thing to do.

Q364 **Anna McMorris:** Cadbury is operating there and exploiting people. People are being kept in poverty because of its operations, and we are consumers here of the chocolate and unwittingly contribute to that.

Lord Goldsmith of Richmond Park: I do not think that is something that most consumers welcome. People expect and want high standards. The fact that best practice exists shows what is possible, and it should be a minimum bar, no pun intended, for all the procurers of cocoa. What are



we going to do about it? I hope that some of that will be captured as we move towards what I anticipate will be a mandatory system, but we are quite a long way off, so I do not want to raise expectations or make false promises.

I want to add to the answer that Maggie gave to the same question that you put to me. I want to emphasise that the FACT dialogue, which is meeting tonight, tomorrow and so on, is the first time this has ever happened. There has never been a dialogue of this sort. It is meeting for the very first time. So too did the major traders meet for the very first time to talk about how they are going to meet their commitments. Every sign that we have is that these commitments are being taken very seriously.

Q365 **Anna McMorris:** Thank you. Just quickly, you mention Indonesia quite a bit. We had evidence that in some countries, and Indonesia was one of them, the Forest Law Enforcement, Governance and Trade Voluntary Partnership Agreements process failed to improve governance, and particularly in Indonesia we did hear that that led to corruption, money laundering, bribery and is doing so now. How do you intend to address those issues?

Lord Goldsmith of Richmond Park: Fundamentally, it is down to Indonesia and I am aware that much of what you described plagued the sector in Indonesia for a long time. I am not convinced that that is as accurate a reflection of how things are today in Indonesia. I know that the main Minister responsible, Menteri Siti, is the Minister in charge, and



she is someone in whom I have total confidence. If I can summarise, her plan, which she has put into statute in Indonesia, is to restore 9 million hectares of degraded peatland, which puts any other initiative in the shade. Her plan is to transfer up to 6 million hectares of existing prime forest to traditional people through using ancestral rights. She wants to protect 66 million hectares of primary forest of a total of 80 million hectares of primary forest that they have, and she is in the process of planting half a million hectares of new mangrove. This stuff is happening. It is hugely ambitious. My commitment to them was, first, that we will develop a programme that supports them, but secondly, that I will also try to leverage other finance from the private sector and other donor countries. I think when the door is open it is our responsibility to open it.

Maggie Charnley: We are expecting to publish a post-implementation review of the FLEGT regime later this year, so hopefully that can pick up on some of the evidence that you have just referred to. As I understand it, in 2005 80% of the timber coming out of Indonesia was illegal or from uncertain sources. Irrespective of the problems that might remain in the system, it would be harsh not to recognise that they have made extraordinary progress.

Chair: Colleagues, we have 15 minutes and three sets of questions. I think that means five minutes each.

Q366 **Caroline Lucas:** Thank you and apologies, I had to step out earlier. I want to continue with two very quick questions on the subject of the VPAs and FLEGT. The first is, given that it is unlikely that the EU will



continue with VPAs and the FLEGT programme, what are the UK's plans for the agreements that it has been part of developing under that programme if the EU is about to discontinue its involvement?

Lord Goldsmith of Richmond Park: We want to continue the partnerships that we are developing; for example, with Ghana. We have a partnership agreement already, a VPA, with Indonesia. We think it is a good system. My concern about the move being made in the European Union, while I 100% support the aspiration and the outcome it is looking for, I do worry that some of the producer countries have gone through a huge process to be compliant with the FLEGT system and are suddenly finding that a lot of that was a waste of time. I think from a global diplomatic point of view the fact that you need to have these mutually respectful partnerships to get anything to work means that it needs to be a little bit more careful than the approach it has taken. I very much doubt it would take my advice, but that would be it.

Q367 **Caroline Lucas:** The second part is that we have just been discussing that their effectiveness has been subject to much debate, and while the programmes attempt to use multi-stakeholder participatory assessment processes and legal reform processes have been broadly praised, some of the effectiveness, as we have just described, has been contested. What lessons would you say have been learnt from the UK's experience of the programmes that will be taken forward in future work on forest governance?



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Lord Goldsmith of Richmond Park: I am going to be a terrible coward and delegate this one to Maggie, because I am not close enough to the details.

Maggie Charnley: I mentioned to your colleague earlier that we have a post-implementation review of FLEGT, so that will pick up on this in more detail. There are two things that I would particularly pull out in terms of lessons learned. One is that ground-up governance process that you referred to, because even where we did not get as far as a VPA, the process within country to build a consensus around what was needed has moved countries forward.

The second part is that all too often we talk about the sticks, I guess, the stopping of things and the prevention of something and the changing of standards, but at the heart of the FLEGT model, of the VPA model, was providing partnerships between producer and consumer countries, and providing carrots to balance the sticks, to provide incentives that if you can demonstrate something the trade routes will be easier and simpler.

I think those two pieces should inform our wider approaches, not just to how we interact with countries and how we build the partnerships, but also to our trade agenda and how we can use a wider set of levers to encourage those countries that are most ambitious, that are making the national standards, creating national systems, so that they can see that that has benefits that go beyond their borders. They already have the benefits from the co-operative approaches and the groundswell of



government buy-in, but they also see there is a demand for that from the international market, with very real economic benefits.

Q368 **Caroline Lucas:** When did you say the review will be finished?

Maggie Charnley: Later in 2023.

Q369 **Caroline Lucas:** Will it be in the public domain?

Maggie Charnley: I would need to double-check, but I would have thought so, as a review of that significance. I will add that to the letter we have already promised.

Q370 **Claudia Webbe:** There is never enough time to talk about people and in this case indigenous people and local communities. We know that schedule 17 of the Environment Act in terms of the due diligence proposals has not yet come out, but in terms of the proposed due diligence legislation it does not require adherence with international human rights legislation, despite the Government's own Global Resource Initiative taskforce recommending that it does. Trudy, we have had evidence in this inquiry from multiple stakeholders that have stressed the importance of respecting the tenure and rights of the indigenous people and local communities in combating deforestation. Can you indicate why we do not have this adherence in the proposed due diligence legislation?

Trudy Harrison: We will legislate so that it is illegal for in-scope companies, the larger companies, to use forest commodities from illegally occupied or used land. I can certainly say that. In terms of the international aspect, I will revert to Minister Goldsmith.



Lord Goldsmith of Richmond Park: What we secured in Glasgow for indigenous people and local communities was unprecedented. We secured commitments of US\$1.7 billion; it has never been anything like that. I know that the main indigenous people's representative organisations certainly credit Glasgow with having given them a platform the likes of which they had not had before. Out of that financial commitment we committed £163 million and that is not the total of what we will spend on IPLC.

One more point, of the £1.5 billion that I mentioned earlier for forests, of the other £15 billion that is more generally nature, we will always as a matter of default aim to support indigenous people in local communities. £163 million is guaranteed, but this is a thread that we absolutely believe should run through the entire programme.

Q371 **Claudia Webbe:** Can the Minister clarify whether the due diligence system will require companies to respect the rights of indigenous people, and demonstrate that commodities, where produced, are in compliance with international human rights and the tenure rights of indigenous communities and local communities?

Trudy Harrison: The focus on forestry's commodities is more about the land and how it is used, whether it is occupied illegally. In terms of the rights of indigenous communities, I am very happy to write to the Committee. That is more of an international aspect and I am predominantly the UK Forestry Minister, so I hope she will allow me to provide that information in more detail.

Q372 **Claudia Webbe:** It is a basic thing to expect companies to simply comply with international human rights legislation. Can that not be put into the due diligence system?

Trudy Harrison: I certainly do not want to mislead the Committee with aspects that I am not absolutely certain on. I will write to the Committee with the detail on what I know so far, but we are bringing forward legislation, as I have already set out.

Q373 **Claudia Webbe:** Lord Goldsmith, in evidence to the Committee in January you spoke about the importance of empowering local communities around the issues of land rights. Would you welcome more explicit recognition of indigenous peoples and local communities' rights in the legislation?

Lord Goldsmith of Richmond Park: In international law? I certainly believe the importance of land tenure is hard to overestimate. I will not comment on legislation in a different Department because I think that legislation is designed to deal with "a" problem, not every problem.

The issue you raise is hugely important and that is why the money we are spending already in relation to indigenous people and local communities is focused on tenure reform, establishing people's ancestral rights to their land in law, so they cannot be turfed off. We have a huge opportunity now with President Lula in Brazil. For him, this is a priority. We have gone from a president who was actively hostile to indigenous people to one who is on their side. In Colombia you have a Government there like the last Government—it is very bullish in relation to land tenure reform for

indigenous people—whereas new legislation that has just come through the DRC, Minister Bazaiba has introduced, which, if it is realised, and it is a big “if”, I would say is the most forward-leaning legislation anywhere in the world for indigenous people and local communities.

This issue has gained a huge amount of traction in the last two years and we are seeing real progress. I think the UK can be proud of having initiated much of that.

Q374 Claudia Webbe: We know that in the past decade only 1% of official development assistance used for climate went towards supporting the indigenous people. Just 1%. What proportion of the total US\$1.7 billion IPLC funding that you mentioned earlier, the IPC Forest Tenure pledge, is the UK contributing and how much of this will be channelled directly to indigenous people and local communities?

Lord Goldsmith of Richmond Park: Our commitment as part of the US\$1.7 billion was £163 million, and I think it is right to say that around half of our contribution will go pretty much directly to the grassroots organisation. Because of that 1% figure that you rightly mentioned and because there has been so little money flowing to indigenous people and their organisations over the years, in many parts of the world they do not have the capacity to absorb and spend large sums of money. One of the things we are doing with the other 50% is helping to build that capacity so that indigenous people will, for example, be able to benefit from carbon markets in the future, they will be able to receive larger donations



from philanthropy and so on. At the moment that is not the case and we find all the money tends to go to the same people.

Q375 Clive Lewis: One of the things about deforestation is that the UK I think is responsible for a relatively small amount in terms of industrialised countries, 1% I think, but there are other countries with bigger populations, such as China and India, that are consuming quite a vast amount and have a bigger impact on deforestation. Can you talk us through the impacts on deforestation and the Foreign Office's ability to enter into conversations with them about how you reach agreement to stop that, especially given the deteriorating conditions that we see in the international scene? We are off to the Arctic this afternoon—it is not every day you get to say that—and we are going to look at this issue from the perspective of Russia. China is a big consumer of many of these commodities. What is the Foreign, Commonwealth and Development Office able to do in terms of diplomacy?

Lord Goldsmith of Richmond Park: A lot, is the answer. I will focus on a couple of things. First, we talked earlier in a response to a question from Barry Gardiner about the FGMC programme. I think I was Barry, and apologies if it was not. One of the things that programme did very successfully was to work in China to help design new legislation that is supposed to prevent the import of illegal forest products. It is a very broad range. That has now begun its process through legislation. It is a two-stage process in China; it has completed the first stage and we are encouraging China at every opportunity to complete the second stage.



That will be an enormous change, because as you rightly say the majority of illegal produce does go through China, by a huge margin. That will be like mending a hole in a bucket.

The second thing is that China has such a huge impact on everything so that when they make a small move it can have a huge impact. We were, therefore, thrilled and surprised when we approached the big commodity traders, including Cofco, which is the biggest in the world and is effectively state-owned by China, when they also very much at the last minute signed up to that commitment. They would not have been able to do so if the Chinese Government had not told them to, or allowed them to, and they are leaning forward into this commitment as much as any of the other traders. Again, there is room for cautious optimism.

Q376 Clive Lewis: Trudy, one of the issues for many people is the conflict between the need for trade and profitability and the need for sustainability. We have signed up to trade agreements and trading relationships to support the UK's ambition on forestry, nature and sustainable supply chains. That is something that the UK Government have committed themselves to, but then just recently when we were taking part in the negotiations for the Comprehensive and Progressive Trans-Pacific Partnership—and the term “progressive” is in the title, it is not my words—we know that a big part of that is about Malaysian palm oil, which we know is highly destructive to biodiversity, forests and wildlife. There is a bit of a contradiction there and I guess the question is: what does this Government prioritise more, trade or sustainability?



Trudy Harrison: We set out in the Environment Act that we would not compromise on our environmental standards. In terms of trade agreements and that particular issue of Malaysian palm oil, I am afraid I cannot comment on the detail of the accuracy of that. We are clear that in our trade agreements we will not compromise on our environmental credentials. I think as Lord Goldsmith has set out there are very good reasons for doing that, not least to have credibility on the world stage in trying to encourage agricultural practices across the world—90% of deforestation is because of agriculture—to learn from what we are doing in this country.

The money that the UK provides to the international climate fund has doubled to £11.6 billion, and a large proportion of that, £3 billion, is for agriculture and food production. I am afraid I cannot comment on the finer details of trade agreements.

Q377 **Clive Lewis:** I know we are running out of time, but I am going to ask one final question. Building on what Claudia asked, we have spoken to the producer countries and their Governments, but have we engaged with the indigenous populations, the communities where many of these goods, products and services come from? Many of those people are adversely affected by many of the decisions that will be taken by FACT and the Governments that represent them.

Lord Goldsmith of Richmond Park: The short answer is yes, but not all through FACT. FACT is one stream of activity, but to make sure that the promises that we secured at COP26 are honoured we have taken



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responsibility for driving forward a process that brings indigenous people from all around the world together with the donors who made those commitments, so that they can hear how best they should be investing the money and so that they can be held to account for the commitments they made. That is something that we will continue to do. I know that is something that the indigenous organisations involved genuinely do find useful and appreciate.

Q378 **Chair:** Thank you very much. I have a final question for Minister Harrison, which I appreciate you may not be able to answer and, if you cannot, you might want to write to us. You referred earlier to the Greening Government Commitments, which are supposed to produce annual reports to alert the public to how you are measuring up against those commitments. The last annual report was for 2019-20. We are now about to start 2023-24. Could you let us know when the Government will next provide a report to help with transparency? You were talking about it in relation to nature. It also covers the Government buying standards and procurement. I know that we have a procurement Bill going through Parliament but we need to know, the public needs to know and consumers and producers need to know the extent to which the Government are honouring their own commitments and procuring for themselves.

Trudy Harrison: Yes. I have just been handed a rather detailed note, but I can definitely confirm that I have reviewed these and they will be published very soon.



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Chair: Thank you. That concludes our second panel today and I am very grateful to both Ministers, Lord Goldsmith and Trudy Harrison, for joining us and to Maggie Charnley from the Department.