House of Commons

Environmental Audit Committee

Seeing the wood for the trees: the contribution of the forestry and timber sectors to biodiversity and net zero goals: Government Response to the Committee's Fifth Report of Session 2022–23

First Special Report of Session 2023–24

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Environmental Audit Committee

The Environmental Audit Committee is appointed by the House of Commons to consider to what extent the policies and programmes of government departments and non-departmental public bodies contribute to environmental protection and sustainable development; to audit their performance against such targets as may be set for them by His Majesty's Ministers; and to report thereon to the House.

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First Special Report

The Environmental Audit Committee published its Fifth Report of Session 2022–23, *Seeing the wood for the trees: the contribution of the forestry and timber sectors to biodiversity and net zero goals* (HC 637) on 19 July 2023. The Government response was received on 1 December 2023, and is appended to this report.

Appendix: Government Response

Introduction

The Government agrees that the forestry and timber sectors will be crucial nature-based solutions as we work towards Net Zero and reverse the decline in biodiversity. That is why the Government has already acted or is planning action to address many of the recommendations and the wider points raised.

The Government's England Trees Action Plan (ETAP) sets out our vision for a thriving forest economy which contributes to the local economy of rural communities whilst also meeting our national objectives on climate and nature. Trees provide timber, recreational opportunities, and ecosystem services.

Our ETAP, supported by over £675 million of the Nature for Climate Fund, has kickstarted tree planting across England and is moving us towards trebling our tree planting rates. Last year we planted over 3,600 hectares of new woodland and trees outside of woodland. This represents the highest planting rate for nearly a decade and an almost 40% increase in woodland creation and planting of trees outside of woodlands compared to the previous year.

We have legislated for a statutory tree and woodland target to increase tree canopy and woodland cover of England to at least 16.5% by 2050. This equates to 250,000 hectares of trees over the next three decades, increasing tree cover in England by an area roughly the size of Cheshire. Achieving the target could sequester 110 million tonnes of CO2 by 2100 and create approximately 100,000 hectares of priority woodland habitat, which contribute directly to the Environment Act biodiversity wildlife-rich habitats target.

Existing native woodlands are recognised as priority habitats. Establishing more native broadleaf and mixed woodlands will therefore play an important role in contributing to the broader goals of the 25 Year Environment Plan. This is why the England Woodland Creation Offer includes supplements that incentivise the creation of native woodland with high biodiversity potential.

The Government acknowledges the Committee's call to plant more conifer and we recognise that some stakeholders are calling for the same. Our new statutory woodland cover target will stimulate increased tree planting of both hard and softwoods and we are improving regulatory processes to make tree planting easier while retaining strong environmental and biosecurity safeguards. Commercial conifer planting is an important part of our overall planting, and we need all types of planting to meet our woodland cover target. We want there to be less of a distinction between 'commercial' woodland and 'amenity' woodland in the future than there is today and to encourage mixed woodlands

that serve a variety of environmental, productive and amenity purposes. In recognition of the importance of the productive forestry sector we are helping to train the next generation of foresters through our Woodland Apprenticeship Scheme and Forestry Training Fund, with more than 1000 people accessing training this year.

When sourced responsibly, timber can be considered a truly sustainable material, and the 25 Year Environment Plan, England Trees Action Plan and Net Zero Strategy commits us to work closely with others to increase the use of timber in construction. By using more timber in construction, carbon dioxide is both removed from the atmosphere whilst the trees are growing, and then stored in products with a long service life. We are supporting the British timber industry so that we can use more home-grown timber across the UK's construction industry as part of the forthcoming Timber in Construction Policy Roadmap that we have been developing with industry representatives. Defra has also launched the Timber in Construction Innovation Fund which aims to increase in the use of domestically sourced wood and wood fibre in construction and, subsequently, aims to increase the volume of carbon stored in the built environment. In 2022/23 eight projects were awarded through this fund with a combined value of nearly £1.5m.

Bringing more woodlands into management can accelerate the development of woodland habitats able to support a wide range of species and can also address problems, such as exotic tree diseases, as they arise. Well managed woodlands can also lead to an uptake in domestic hardwood utilisation. The Woodlands into Management Forestry Innovation Fund is supporting projects which will develop new technologies and working practices to help homegrown timber production meet domestic and international demand, helping to bolster timber security and grow the United Kingdom's forestry and primary wood processing sectors, which support 30,000 jobs and contribute over £2 billion to our economy every year.

The Routes to Market for Ash Timber Innovation Fund also supports the development of new business models that will create new supply chains for ash timber and help restore woodlands damaged by ash dieback. Previous innovation funds have supported the development of British grown thermally modified wood that uses ash, poplar and sycamore to produce a very stable product that can be used as flooring, cladding and decking.

Climate change, pests, diseases, deer and squirrels are the biggest challenges our woodlands (existing and new) face. Our forthcoming deer and squirrels strategies will set out how we plan to tackle these threats to trees. Trees can only help mitigate the impact of a changing climate if they are resilient to those challenges themselves. Landowners and woodland managers should actively manage, increase diversity and maintain tree health so they are fit for the future. We are making sure our trees are resilient to climate change through the Seed Sourcing Grant and Tree Production Innovation Fund and actions under the Tree Health Resilience Strategy.

Government is committed to ensuring that the highest standards of sustainability underpin bioenergy use across the economy. The recently published Biomass Strategy presented a series of actions government is considering to strengthen the UK's biomass sustainability criteria, including the development of a cross-sectoral sustainability framework for biomass to enable greater consistency across sectors. We intend to publish a consultation on these actions in 2024.

Government Targets and Strategies for Woodlands and Timber

1) **To give the sector greater clarity, we recommend that future strategies for forestry should be fully integrated so as to establish a clear and holistic long-term vision for all woodland creation types. The Government should clearly set out how forestry in England will contribute to the delivery of its policy objectives for timber as well as for nature recovery and climate.** (Paragraph 39)

The Government's England Trees Action Plan, published in May 2021, sets out a generational vision for trees & forestry to 2050. The England Tree Action Plan's five chapters includes over 90 policy announcements and measures Defra will take over this Parliament to achieve the long-term vision. The Environmental Improvement Plan, which was published in January 2023 reinforces these commitments, which are given legal status through the Government's statutory tree and woodland cover target.

We are working with industry to support them in their development of the sector-led National Wood Strategy.

2) **We further recommend that the Timber in Construction roadmap should be closely related to, and developed in conjunction with, the Government's vision for the forestry sector as a whole. As we recommended in our recent report, Building to net zero: costing carbon in construction, this roadmap must address the afforestation commitments made in the England Trees Action Plan, and the need to demonstrate how timber supply in future decades will help to meet growing demand for timber construction products, in a comprehensive, integrated and strategic way.** (Paragraph 40)

In developing the Timber in Construction Roadmap Defra has been working with the stakeholders in the construction and timber and wood processing sectors to assess the scale of opportunity to increase the use of English wood in construction. As part of this we will need to consider the best way to balance wood production to meet the current construction market demand (largely C16 Sitka spruce) with encouraging the diversification of supply chains to utilise a wider variety of softwood and hardwood products.

Defra is developing forest policy that will deliver the twin objectives of nature recovery and increasing the contribution forestry makes to net zero. To do this a range of woodland types and establishment techniques are being used, ranging from natural colonisation of native species through to use of fast-growing exotic species able to produce large volumes of timber and carbon sequestration quickly. We recognise that some policies aimed at habitat restoration could have an impact on timber supplies and we are considering mitigations to this.

3) **We recommend that in its response to this report the Government provide an assessment of the progress of tree planting in (a) England and (b) the UK against the targets set by Ministers; set out its latest and most realistic estimate of the numbers of trees likely to have been planted by March 2025, and indicate whether it plans to adopt policies to accelerate the current rate of planting.** (Paragraph 51)

Tree planting is a devolved policy area. For England, the 22/23 statistics show an almost 1,000 hectare increase in woodland creation and planting of trees outside of woodlands compared to the previous year, with over 3,600 hectares of tree planting. This represents the highest level of tree planting in England for almost a decade.

Funding from the Nature for Climate Fund (NCF) directly resulted in over 2,400 hectares of tree planting. This is over double the amount supported by the NCF in the previous year. This positive trend represents significant progress in achieving our targets and we have a strong pipeline for the coming years.

UK and England-level woodland cover will be reported on annually through the Forestry Statistics publications, with progress against the statutory tree canopy and woodland cover target reported at least every five years.

Planting projections to 2050 are included in the Land Use, Land-Use Change and Forestry Green House Gas emissions projections that reflect funded and/or legislated policy. These projections are used in the energy and emissions projections that are published annually by DESNZ. We will continue to work with the Devolved Administrations to deliver this UK-wide step change in tree planting and establishment.

4) **In order to give the forestry sector greater clarity, we recommend that following the development of the Land Use Framework, the Government divide its overall tree planting targets into sub-categories for the types of woodland needed to achieve different goals. These targets should be underpinned by the clear, holistic long-term vision common to the timber and forestry sectors which we recommend above.** (Paragraph 53)

When setting the statutory tree planting target, the inclusion of statutory sub-targets was considered but to improve delivery confidence a single undifferentiated target was set.

The second review of the 25 Year Environment Plan in 2028, a requirement set out in the Environment Act 2021 will provide the opportunity to review the target alongside reporting on the interim target, the baseline for which was based on provisional data.

While we could consider sub-targets, these would not be statutory and it would be important to ensure that setting sub-target would not impede the ability to respond flexibly to changing policy priorities for woodland.

A transparent picture of the contribution from each planting type towards the target is provided through the Forestry Commission's statistics. We will use policy and incentives to encourage the planting of a range of woodland types we want to see (broadleaved, conifer and mixed) to meet the targets.

The actions we are taking through the England Trees Action Plan, the suite of targets being released – including biodiversity targets – and the UK Forestry Standard will act as drivers for woodland planting, ensure the woodlands we create are mixed, and increase the resilience of our woodlands that are used for timber.

Delivery of Tree Planting

5) **Decisive action and a clear delivery plan are required for Forestry England to meet its target of planting 2,000 hectares of new woodland by 2026. We recommend that a plan be prepared by the end of October 2023 and published for transparency, to demonstrate to the public and the private sector that Forestry England is playing its part in meeting the national tree planting targets and in contributing to future timber supply.** (Paragraph 64)

Forestry England are confident that their woodland creation target will be met or exceeded. Forestry England have planted all suitable land available on their estate and are finding ways to lease or buy more land suitable for woodland creation.

The Forestry England Woodland Partnership, which enables Forestry England to lease land for woodland creation, launched in March 2021. The process of engaging landowners, negotiating lease teams, and planning and designing new woodlands typically takes 12–18 months, so there has only been one planting season in which Forestry England could create new woodlands on leasehold land. They have planted 189 hectares of new woodland on leasehold land to date and expect to plant another 267 hectares by 2026/27.

In addition, we have recently extended the Woodland Partnership offer to enable Forestry England to purchase freehold land for woodland creation. They have already exceeded their acquisition targets for 2023/24 and recently completed on the sale of a 220-hectare site for woodland creation. Forestry England currently have a further 138 hectares of sites under offer.

6) **In addition to planting new woodland where possible and using good forestry practice to do so, we recommend that Ministers ensure that Forestry England has sufficient resources to restock cleared forest areas as soon as possible, to ensure that Forestry England at least maintains its contribution to future timber supply.** (Paragraph 66)

Forestry England undertakes a regular programme of restocking following felling. Resources for restocking are considered and allocated through Forestry England's business planning to ensure UK Woodland Assurance Standards are met. In addition to this, we are investing £11million in modernising Forestry England's seed and sapling facilities to improve production capacity and resilience to climate change and extreme weather patterns. This will ensure Forestry England have access to a large pool of resilient and healthy planting stock, preventing delays in restocking from occurring.

7) **We recommend that Ministers commission work to identify opportunities for woodland creation on the Government estate, to advance nature recovery further and increase timber production.** (Paragraph 71)

As set out in the England Trees Action Plan, we are taking action to recover nature and increase timber production on land owned and managed by public bodies, including Government departments. We continue to work across the Government estate, including with major landowners like MOD, to encourage and support woodland creation on the public estate.

We are currently considering how we can better collate and use data from across Government to identify opportunities for tree planting and are in conversation with Government departments and No10 about the scope of this work.

We will also be feeding into the refreshed Greening Government Commitments framework – due to come into effect in 2025 – and will be encouraging ambitious commitments for tree planting on the Government estate, as well as protection and enhancement of existing woodland.

8) **Public annual reporting on progress towards the Greening Government Commitments apparently ceased in 2019–20. We recommend that annual reporting of this nature should be re-established as soon as possible, to give assurance to Parliament and the public that the Government is contributing to nature recovery to the fullest extent possible.** (Paragraph 72)

The Greening Government Commitments reporting cycle was delayed allowing facilities teams to respond to the pandemic. We have published the 2020 to 2021 financial year report in April 2023 and are aiming to publish the 2021 to 2022 financial year report later this calendar year.

Under the Greening Government Commitments, government departments and partner organisations with the greatest potential to improve biodiversity should develop and deliver Nature Recovery Plans for their land, estates, developments and operations. All Nature Recovery Plans should include a specified commitment, where relevant, to protecting and enhancing tree planting and woodland cover.

9) **We recommend that in all its forestry and timber strategies the Government must ensure that it is clear to private landowners and the commercial forestry sector that grant schemes are intended to support planting for domestic timber production through the establishment of mixed woodlands planted to the UK Forestry Standard, as well as the establishment of majority native broadleaf woodlands.** (Paragraph 89)

The overall ambition of the England Woodland Creation Offer (EWCO) is to encourage investment in woodland creation for a variety of purposes including commercial forestry and timber production.

All new planting schemes supported by the Nature for Climate Fund conform to the UK Forestry Standard (UKFS). The UKFS supports both coniferous and broadleaf woodlands but does not allow a single species to constitute more than 65% of a new forest; in practice, a new woodland is unlikely to comprise more than 50% of a single species because of sensitivities across the site, including landscape, and variation in site conditions.

The eligibility criteria of all our grants are available online and we have run campaigns focusing on the economic aspects of woodland creation, linking into the relevant grant offers with generous per hectare and per year payments to manage a commercial crop.

10) **For transparency, we recommend that the Forestry Commission publish a summary of the analysis underpinning the 'presumption to plant' system when details of how the system will work are announced.** (Paragraph 97)

The Forestry Commission has published maps showing parts of England where there are likely to be fewer constraints to woodland creation together with a short report that provides details of the data sets used to construct the maps.[1] The Forestry Commission are working with Natural England to further develop these maps with additional datasets indicating potential sensitivities to planting. We plan to publish these updated maps in autumn 2023, along with a short report that sets out how they can be used to support the regulation of forestry proposals. This work will be promoted at forestry and farming events.

1 A guide to Forestry Commission's Sensitivity Maps for Woodland Creation, Forestry Commission, August 2023

Even in 'high opportunity' areas where few constraints exist, some site-specific features, such historic environment artifacts, may be present and a proportionate site assessment will be needed where owners want to plant trees or create woodlands. It is worth noting that much of the land outside these areas will also be suitable for planting although the constraints are likely to be higher.

UKFS compliance checking is currently limited to grant applications (and any subsequent monitoring of the grant agreement) and assessment of felling license applications. We are considering what additional resource would be needed for greater woodland management oversight.

11) **We recommend that the Government set a realistic long-term target for the amount of timber to be produced domestically. This target should be informed by the analysis being undertaken to produce Defra's Land Use Framework, a comprehensive analysis of the commercial species which need to be planted, and over what area and the context of the global timber market, including a realistic assessment of the level of imports still required to meet both the quality and quantity requirements of the UK market.** (Paragraph 120)

The Government's statutory tree and woodland cover target sets out our intentions for woodland creation in England until 2050. Setting a specific domestic target for timber production beyond this would be challenging, as rates of harvesting are dependent on a wide range of factors such as changes in global timber markets. However, Forest Research produce a 25-year forecast of UK softwood availability and a 50-year forecast of hardwood availability. We are working with industry as part of developing the Timber in Construction Roadmap and sector-led National Wood Strategy to understand how we can develop these forecasts further to better support the use of timber in construction and additionally, the ongoing demand for imports.

We are also working with industry to identify priority commercial soft and hardwood species for tree breeding and improvement programmes. This research will support a wider range of domestic soft and hard woods to meet anticipated increases in demand.

12) **In tandem with this target, and in line with our earlier recommendations, we recommend that the Government determine the proportion of new woodland to be established under current targets which is to contribute to timber production.** (Paragraph 121)

We are committed to increasing both productive conifer and productive broadleaf planting. We are working with stakeholders to better understand how Government and Industry can increase and promote productive planting.

UK hardwood availability will be dependent on increasing rates of woodland management in predominantly broadleaf/amenity forests. We are supporting more woods into management through our Woods into Management Innovation Funds where we have awarded £7.6 million to date. We are also considering the potential for tree breeding programmes to encourage untapped species such as beech and sweet chestnut into timber supply chains as an innovative additional resource, as well as research into emerging species.

13) **We recommend that the project board with oversight of the current quinquennial review of the UK Forestry Standard ensure that the revised Standard not only contributes to beneficial outcomes for biodiversity and carbon storage but also supports productive forestry to the fullest extent compatible with climate and nature goals. This overall objective must be supported by the policy instruments available to the Forestry Commission in England and to Defra Ministers. The Commission and the UK Government should seek to work constructively with their counterparts in the devolved administrations and partner forestry agencies to ensure the overall growth of the forest estate managed to the UK Forestry Standard.** (Paragraph 153)

UKFS is based on international agreements which include criteria and indicators focused on the contribution forests make to the carbon cycle, on the 'productive function' of forests (timber production and provision of non-timber goods such as food) and on biodiversity. The latest review did not change these principals and UKFS will continue to be applied to woodlands that are created or managed to produce timber, support biodiversity or both.

The latest review process considered how climate change and pests and diseases might impact future timber supplies at a national scale. Ongoing outbreaks of *Ips typographus* on spruce across Europe, including England, along with the impacts of *Phytophthora ramorum* on larch and *Dothistroma* needle blight on pine show that it is essential to do more to increase the diversity of tree species used provide good quality timber to the construction market.

The Forestry Commission will work with Confor and other forestry stakeholders to ensure changes to the latest version of the UKFS, and how they will be implemented, are understood by woodland owners, forestry agents and forestry contractors. During this process the Forestry Commission will also collaborate with forestry regulators in Scotland, Wales and Northern Ireland to ensure a consistent message is presented to forestry businesses.

14) **Given the importance of the UKFS in ensuring that forests are managed sustainably, we recommend that the Forestry Commission establish a programme for the routine monitoring of woodland to ensure that the standard is being adhered to beyond establishment, adopting new technology to aid this, where feasible to do so.** (Paragraph 164)

Most woodland creation in England is supported by grant funding. The application approval process ensures that woodland creation proposals and the early stages of woodland establishment are compliant with the UKFS.

There is less certainty around compliance during forest operations that are not grant aided, such as thinning, in existing woodlands. The Forestry Commission recognises this and has recently completed a survey of a small number of sites where forest operations were either active or recently completed. No serious breaches of the standard were found.

The Forestry Commission intend to carry out periodic reviews of UKFS compliance, timed to influence future UKFS review processes, and to inform the direction of future research projects that could help improve compliance or address problems that compliance reviews may discover.

Earth Observation and remote sensing are already used to establish the impact of large disturbances, such as Storm Arwen in 2021. This technology has also been used to investigate cases of alleged illegal felling, to monitor the presence of invasive species and deer populations. It is very likely that it will be used in the future in forestry inventory and forecast work, tree health surveillance and compliance with conditions associated with felling licences and grant agreements that are required UKFS compliance.

15) **We further recommend that the Forestry Commission urgently review the resources available to Forestry England so as to ensure that it has sufficient resources to ensure the compliance of woodlands with the UKFS.** (Paragraph 166)

Forestry England use three independent certification schemes (Forest Stewardship Council [FSC], Programme for the Endorsement of Forest Certification [PEFC] and Grown in Britain [GIB]) to demonstrate that their forests are managed sustainably. These schemes go over and above many of the requirements set out in the UKFS. Most retailers insist on certified wood in their supply chains and around 80% of softwood reaching market in the UK is independently certified. Forestry England were early adopters of these schemes and have helped promote sustainable forestry internationally since the UKFS was introduced in 1997. Forestry England continue to lead the way in sustainable forest management and have a strong track record in adapting woodlands affected by pests and diseases and building resilience to climate change.

Using Domestically Grown Timber to Contribute to Reach Net Zero

16) **To support the Government's commitments, we reiterate the recommendation made in chapter 1 that the Timber in Construction roadmap be published as soon as possible. The roadmap must comprehensively address the afforestation commitments made in the England Trees Action Plan and the need for timber construction products.** (Paragraph 179)

Good progress has been made on the Timber in Construction Roadmap and we intend to publish later in 2023. As part of developing the roadmap we are considering actions to increase domestic supply of timber construction products and we have engaged with industry throughout the drafting process.

We are also proactively engaging with industry on the development of its National Wood Strategy for England to identify ways that Government and Industry can work together to increase productive planting in England and maximise opportunities for English wood in construction supply chains.

17) **For UK-grown timber to be used in construction, the Government needs to support the sawmilling sector to transition UK production towards producing a higher percentage of construction grade timber products and engineered timber. Action to support this transition should be specifically set out in the Timber in Construction roadmap.** (Paragraph 180)

We anticipate that increasing demand for domestic timber in construction will in turn stimulate the timber and wood processing sectors, including sawmills, to increase the production of timber and wood derived products for this market. As part of developing the Timber in Construction Roadmap we are looking at the barriers to the use of English wood in construction such as a lack of market demand for C16 timber which is the strength

grade most domestic softwoods are graded to. The roadmap aims to set out how these barriers can be addressed to increase demand for English wood. For example, through greater guidance on the use of homegrown wood-based construction products. Improved understanding of the properties and suitability of the existing domestic timber resource for construction could also help drive demand.

18) **The Timber in Construction roadmap should consider how Government can incentivise changes in practice to allow the safe use of domestically grown timber in construction, including through the use of innovative engineered timber products.** (Paragraph 181)

During the development of the Timber in Construction Roadmap we have looked at options to incentivise low carbon construction, including the use of timber and English timber specifically. This has included working with industry and academia to understand barriers to its use, such as lack of market familiarity with British C16 timber and where it can be used in the built environment.

We have also looked at the opportunities created by engineered mass timber products such as glulam and CLT, which are increasing in popularity and have the potential to enable the use of timber in a wider range of building typologies, such as mid-rise commercial buildings. This is in addition to increasing the use of timber framed systems in single family homes. The Defra/ Forestry Commission funded, "Building from England's Woodlands" project is looking specifically at the potential for using English homegrown trees in these products and an Innovate UK Funded "Transforming Timber" knowledge library was also launched this July to promote best practice in this space.

We recognise that it is of paramount importance that those building using engineered mass timber products from any origin are doing so safely and we are working with DLUHC officials to assess options to ensure this happens.

19) **We recommend that, as part of the Timber in Construction Roadmap, the Government consider how the future UK market can be served by a greater proportion of domestically grown hardwoods (for example, through engineered timber products).** (Paragraph 188)

We agree with the Committee that there is opportunity to increase the use of domestic hardwoods in construction. Through the Timber in Construction Innovation Fund new and innovative uses of homegrown wood and wood fibre in the built environment are identified. Last financial year £1.5 million was awarded to projects through this fund.

As part of the Timber in Construction Roadmap we are considering the potential for homegrown hardwoods in the future UK construction market. For example, we need to continue to promote greater rates of long-term woodland management amongst landowners and improve control of grey squirrel and deer if available supply is to increase. We are also considering how to best work with industry to support tree breeding and improvement programmes to increase the suitability of a wider range of hardwoods in construction supply chains.

20) **The Biomass Strategy, which was promised by the end of 2022, must now be issued as soon as possible. We recommend that the Strategy take a risk-based approach to ensuring the sustainability of biomass use, managing risks on a domestic and a**

global scale. In preparing the Strategy we recommend that the Government consider the risks associated with life-cycle carbon emissions, land-use trade-offs, impacts on biodiversity and ecosystem service provision, and competition with other uses of biomass, and consider the merits of establishing quotas for, or a moratorium on, the use of the highest risk feedstocks. (Paragraph 217)

Government published the Biomass Strategy on 10th August. Government manages potential risks associated with biomass use through strict biomass sustainability criteria, which is already in place in support schemes in the heat, transport, and power sectors. The strategy presented a series of actions government is minded to take to strengthen sustainability criteria for biomass, to further minimise risks associated with biomass use, regardless of its type and where it is sourced from.

These actions cover a broad range of areas, including improvements to GHG emissions calculation methodologies to ensure consistency across sectors, strengthening protections for biodiversity and ecosystem services, and requiring 100% of woody biomass feedstocks to be proven sustainable, where not already mandatory. We intend to publish a consultation on these actions in 2024.

Recognising that sustainable biomass is a limited resource with a wide variety of potential uses, the strategy presented a priority use assessment of biomass, to inform how biomass should be used across the economy over time to best support our net zero target.

21) **The amount of biomass used by the UK power sector should be constrained by the supply of low-carbon sustainable feedstocks, factoring in potential domestic supply and rising trends of bioenergy use globally. The Biomass Strategy should set out and quantify the potential of different biomass sources to deliver energy and explain how sufficient sustainability sourced biomass feedstocks will be found, from where, to meet demand required by BECCS, in line with net zero pathways.** (Paragraph 218)

The Biomass Strategy recognises that sustainable biomass is a limited resource, therefore its use should be prioritised where it offers the greatest environmental, economic and social benefits. The UK's ability to gain access to sustainable feedstocks at sufficient scale and acceptable prices will ultimately determine the overall contribution of biomass to net zero. Analysis for the strategy found that future biomass supply will continue to be diverse, however, understanding future availability is complex and subject to significant uncertainties owing to various domestic and global economic factors that are difficult to predict. Considering the potential future availability of biomass and following a set of guiding principles for the best uses of biomass, the strategy also presents an assessment of the potential contribution of biomass feedstocks and technologies towards our net zero target, making it clear that biomass uses that can produce negative emissions should be prioritised in the long term.

22) **The Government needs to manage risks associated with the sustainability of feedstock supply through its governance framework for biomass, which must be strengthened. Improvements should include:**

- **All biomass used for large-scale power generation in the UK should be required to adhere to the sustainability criteria set by the UK governance framework. The Government should include in its Biomass Strategy a thorough review of the subsidy regime for biomass.**

- **The woody biomass land criteria should stipulate that generators and participants must demonstrate that all of their woody biomass supplied is 'legal and sustainable.'**
- **As soon as robust life-cycle carbon assessment methodologies are available, biomass sustainability requirements should include the complete accounting of the life-cycle carbon emissions of using a source of woody biomass, from the carbon stored in the forest, through to the stack emissions.** (Paragraph 219)

The Government agrees that it is important to minimise and manage potential risks associated with the use of biomass feedstocks through robust sustainability criteria. Large-scale biomass power generators are already required to comply with strict and globally leading biomass sustainability criteria that are in place under existing government support schemes (e.g., Renewables Obligation and Contracts for Difference schemes).

The Biomass Strategy presents a series of actions government is minded to take to strengthen our sustainability criteria, subject to consultation. These include the requirement that 100% of woody biomass feedstocks used in biomass generation to be proven sustainable, alongside the existing requirement for 100% legal sourcing.

We also propose developing a common GHG emissions calculation methodology for the full biomass supply chain, to ensure consistency across sectors and to explore practicalities of accounting for soil carbon changes based upon up-to-date scientific evidence. To put in place these updates Government has committed to developing and implementing a cross-sectoral sustainability framework for biomass and we intend to consult on the details of this in 2024.

23) **We echo and endorse the recommendation of the Business, Energy and Industrial Strategy Committee, in its recent report on Decarbonisation of the power sector, that the full lifecycle emissions from BECCS facilities in the UK should be made carbon neutral within a timeframe compatible with the UK's climate targets.** (Paragraph 220)

Government has committed to developing a bioenergy with carbon dioxide capture and storage (BECCS) policy that ensures that only sustainable biomass is used in BECCS and that BECCS delivers genuine net-negative emissions. The Biomass Strategy set out principles for BECCS deployment, which are designed to reflect both the government's wider approach to engineered removal technologies and the need to maintain strict sustainability standards for BECCS as are used in existing bioenergy support schemes. These principles include the need to ensure that support should only be for BECCS systems that deliver net greenhouse gas removal (GGRs) based on a full life cycle assessment irrespective of where in the supply chain emissions occur.

Government is committed to ensuring that all GGRs, including BECCS, provide measurable and verifiable removals of CO2 from the atmosphere. This may include setting requirements to limit the level of supply chain emissions to ensure the technologies achieve a minimum level of negative emissions. As part of the GGR Business model Consultation response, we confirmed our criteria for defining a robust 'negative emission'. These include requiring removals to be net negative, i.e., more carbon is removed from the atmosphere than is generated in a GGR process; CO2 must be captured directly from the atmosphere or seawater; and the removed carbon must be contained in a highly durable store.

24) **We recommend that the Government conduct an impact assessment of the effects on the delivery the UK's climate and biodiversity commitments of bringing a higher proportion of existing forests into active management**. (Paragraph 229)

We agree with the Committee that there are opportunities for increasing the supply of woody biomass from domestic sources by bringing a higher proportion of existing forests into active management. This would have the added advantage of improving habitat quality and enhancing the resilience of woodlands to climate change as long as the biomass sustainability criteria are met. However, the biomass resource from existing woodlands is finite and may be insufficient to meet future demand.

Presently around 42% of our woodlands are not actively managed. Unmanaged woodlands can have an adverse effect on wildlife and resilience. Bringing a higher proportion of forests into active management will support climate and biodiversity commitments. We want to encourage woodland managers to improve the ecological condition, resilience, carbon sequestration potential, biodiversity and connectivity of woodlands encouraging a more diverse age structure and species mix via management.

We are already helping more owners manage more woodlands by providing Countryside Stewardship woodland management planning grants, infrastructure grants and woodland improvement grants. The Woods into Management Forestry Innovation Funds are part of government's Nature for Climate Fund, aim to encourage and broaden innovation in forestry. The second round closed in May 2022 and included Routes to Market for Ash Timber Innovation Fund, Temporary Infrastructure Innovation Fund, Regional Woodland Restoration Innovation Funds and the Timber in Construction Innovation Fund. These funds are aimed at forestry businesses and conservation organisations to help owners better manage their existing woodlands.

25) **In the forthcoming Biomass Strategy and Land Use Strategy the Government must determine the capacity of the UK to supply bioenergy feedstock from its forest resources—including forest residues, short rotation forestry and coppicing—analysing the risks of drawing upon these resources and modelling land-use trade-offs, particularly in relation to security of food supply and in the context of the biodiversity crisis.** (Paragraph 231)

We agree that if domestic short-rotation forestry and short-rotation coppice crops are to be upscaled they need to do so sustainably, in line with best forestry practices and that planting energy crops should not result in a reduction of domestic food production. We will be exploring these issues in depth with industry and land managers to design a sustainable, long-term approach. Government agrees with the committee that there is potential for domestic cultivation of perennial energy crops, short rotation coppice (SRC) and short rotation forestry (SRF), to contribute towards our transition to net zero. Growing biomass can also provide benefits for nature, people and the economy as well as boosting regional employment and farm diversification.

The updated assessment of potential future biomass availability published in the Biomass Strategy, based on the revised UK and Global Bioenergy Resource Model, includes potential supply estimates of UK derived forestry residues, short rotation forestry and short rotation coppice. The model also allows estimation of the level of environmentally sustainable feedstock the UK could import. The estimates of UK derived forest residues

were based on the Forest Research's projections of UK forest residues. While these include the afforestation targets of the UK to 2050, future afforestation makes little difference to the availability of feedstock on that timescale.

For energy crops the estimates of land area take a precautionary approach. Planting is only assumed on a limited fraction of lower quality agricultural land. This reduces the impact of biomass production displacing food crops. To reflect the land quality, low crop yields and growth rates have been assumed. Depending on the prior land use, energy crops may contribute to increased biodiversity compared to monocultural intensive grassland or crop but may not offer as significant a benefit as more biodiversity focussed land use options.

Government acknowledges the value of both planting trees and protecting the food supply chain. Agriculture remains the largest land use in the UK, with an estimated 77% of the total area of the UK used for agricultural purposes, and therefore has substantial potential to contribute to the UK's tree planting goals.

Tree planting offers opportunities to diversify, generate extra income, increase farm productivity, and enhance farmland – while complementing food production. The Land Use Framework will provide further detail on how we can deliver multifunctional landscapes which ensure we meet our legally binding emissions targets.

26) **We recommend that the Forestry Commission, as the Government's experts on forestry, work with Ofgem to share best forestry practice. The objective of this collaboration ought to be to ensure that, should demand for domestic wood biomass in energy markets increase, the regulatory framework for bioenergy feedstocks derived from forestry crops and silvicultural activities is developed in line with principles of sustainable forestry. The collaboration ought to be undertaken in full recognition of the need to deliver on the UK's commitments to halt and reverse biodiversity loss by 2030 under the Kunming-Montreal Global Diversity Framework, and on the Government's commitments and obligations under the Environment Act 2021.** (Paragraph 232)

It is the responsibility of the Department for Energy Security and Net Zero to develop and update the necessary regulatory framework for biomass use to ensure biomass is sourced from sustainable sources and it aligns with our environmental and biodiversity policies and goals. Ofgem administers and supports the administration of some support schemes, which includes the monitoring of compliance with the requirements of the schemes.

We agree that collaboration between government departments and sharing of best practices are important for designing better policies. Government has, in the recently published Biomass Strategy, presented a series of actions to strengthen sustainability criteria for biomass, on which it intends to publish a consultation in 2024. These actions were developed in collaboration with Forestry Commission and others. We continue to work closely with the Forestry Commission and others in the development of the consultation and the cross-sectoral common sustainability framework for biomass to ensure alignment with principles of sustainable forestry and domestic and global biodiversity policies and strategies.