

Written Evidence submitted by The Wood Panel Industries Federation (TPW0033)

I am writing in response to the Call for Evidence issued by the Environment, Food and Rural Affairs Select Committee as part of the Tree Planting and Woodlands Inquiry. The All-Party Parliamentary Group for the Wood Panel Industry has recently approved the refreshed *Expert Working Group for the Wood Panel Industry Policy and Baseline Report*, which recognises the historically low annual supply and woodland coverage across the UK.

As a broad policy request, The Expert Group recommends that the UK Government work with the Wood Panel Industries Federation (WPIF) to align policy across the UK with a focus upon improving long-term wood securing through increased planting and for the Government to meet its target.

With regards to the specific points raised within the Call for Evidence, the WPIF - representing three wood panel manufacturers operating in the UK: Norbord, EGGER and Kronospan - makes the following observations:-

Are the UK Government's targets for increasing forestry coverage, and tree planting, for England and the UK sufficiently ambitious and realistic?

The Wood Panel Industries Federation (WPIF) supports the UK Government's Net Zero by 2050 target and the need to increase tree planting across the UK to 30,000 hectares per year by 2025, which was recommended by the Committee on Climate Change in May 2019¹. The WPIF considers this UK wide target to be realistic and that it is important that the UK Government sets an ambitious target for England that meets the ambition of Scotland² and Wales³. Within these global targets, specific ambitious measures should be introduced for productive forestry planting (commercial softwoods) as it is the processing industries that deliver high volume value adding and it is this that supports well paid, skilled employment. It is critical that clear strategic cooperation between the UK Government, Scottish Government and Welsh Government can be achieved in order to ensure that a comprehensive tree planting programme for the forthcoming 20 years can be established and delivered upon.

In relation to increasing forestry coverage in England, what should the Government be trying to achieve?

The WPIF presents that the UK Government should increase its focus upon the commercial opportunities that come from forestry and the positive impact that it plays with regards to mitigating climate change. The wood panel industry supports the view, as laid out within the England Tree Strategy consultation, that forestry is central to building a greener economy through strengthening our timber industries⁴.

Principal Processors of UK Timber

The domestic wood panel sector are the principal processors of UK timber and its conversion into materials for construction and furniture. The wood panel manufacturing sector uses over 25% of the 11 million tonnes of wood delivered from UK forestry every year in total and manufactures approximately 65% of the total UK annual consumption of wood-based panel types (Chipboard, Oriented Strand Board and Medium Density Fibreboard). Manufactured wood-based panel products (Chipboard, Oriented Strand Board and Medium Density Fibreboard) can be identified in virtually every home, office and shop and are extensively used in the construction, furniture making, packaging and transportation industries.

Economic Impact

Easing the tightening of the wood supply will assist the wood panel processing sector in playing a greater role in the economic recovery and bolstering job opportunities. The three member companies of the WPIF (EGGER, Norbord and Kronospan) operate across six sites across the UK, in England, Scotland and Wales, and had a combined turnover in excess of £900 million in 2018. This generated £12.4 million in UK corporation tax for the exchequer, with £44.5 million generated in VAT. The estimated total gross employment attributable to wood panel manufacturing is 7,500, with the average salary of those employed within the industry at £36,235 in 2018. The total tax paid on 2,125 employees reached over £25 million in

¹[Committee on Climate Change \(2019\) - Net Zero: The UK Contribution to Stopping Global Warming](#)

²[Scottish Government \(2020\) - Programme for Government 2020-2021](#)

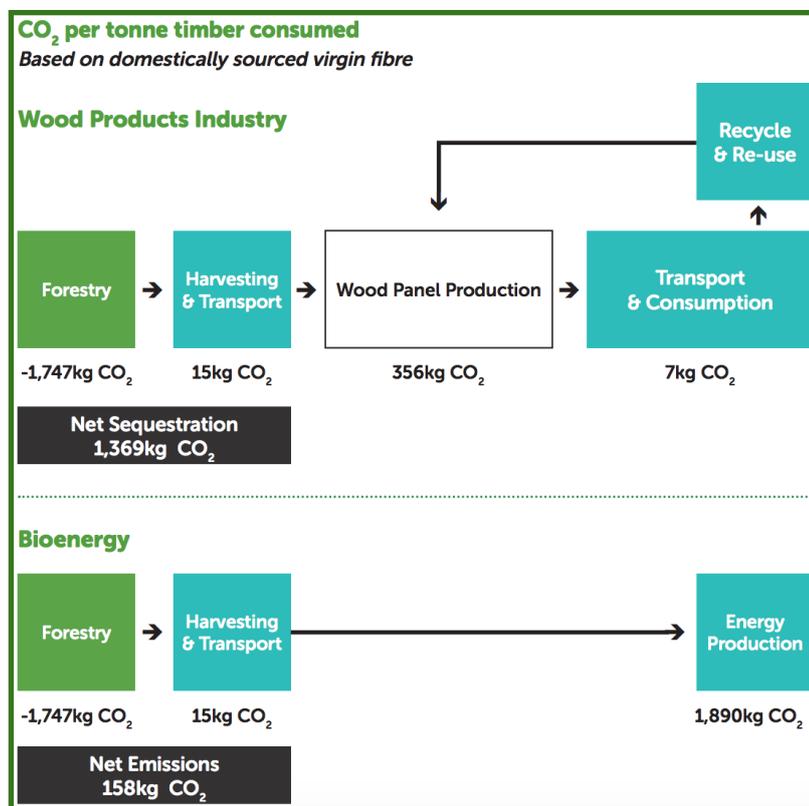
³[Natural Resources Wales \(2020\) - Woodland Management and New Woodland Creation](#)

⁴[UK Government \(2020\) - England Tree Strategy Consultation Document](#)

2018/19. The wood panel sector has the ability to do more and with increased productive forestry will come closer to satisfying 100% of demand. The wood panel industry is reliant upon a sustainable, long-term wood supply to maintain and enhance domestic production. Given that ‘peak wood’ is coming within the next decade, a long-term correction is required to achieve a reversal in the steady decline of planting since the 1970s. The WPIF is asking the UK Government to work with industry in recognising the historically low annual supply and woodland coverage across the UK, and commit to aligning policy across the UK with a focus on increasing forestry coverage through productive forestry planting.

Climate Change and Net Zero

Beyond the economic case, the use of natural resources by wood panel manufacturers across the UK is playing a key role in supporting the UK Government’s Net Zero commitment. As outlined within the *Expert Working Group for the Wood Panel Industry Report* (p. 8), the carbon sequestration benefits achieved through using forestry resources within panel manufacturing is considerable when compared to bioenergy. The diagram below taken from the Carbon River Report (2010), which was commissioned by the Wood Panel Industries Federation, compares the processes in the supply chains for both the wood panel industry and that of biomass. The *Environment, Food and Rural Affairs Select Committee* should consider the environmental impact of different wood uses within its inquiry in order to ensure that the mitigation benefits brought by forestry are not counteracted by other elements of UK Government policy such as in any support for biomass technologies.



Next Steps

My colleagues and I would welcome the opportunity to provide evidence to the Environment, Food and Rural Affairs Select Committee *Trees and Woodlands Inquiry*. This would enable us to highlight the need for an ambitious target for productive forestry; the important economic and environmental role that the wood panel industry plays as a primary processor of timber and the need for future UK Government policy to recognise the value it offers.

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