Development and Coordination of Supply Chains to the Wood Energy Market in Laois

Project Report Submitted to the Laois Farm Forestry Group
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Introduction

The Laois Farm Forestry Group (LFFG) was established in 2009 to represent private forestry owners in County Laois who have planted forestry prior to 2002. Promoted by the Teagasc Forest Development Department, IFA Farm Forestry and local forest owners, it provides a representative voice for private forest owners with plantations now approaching or at the stage of timber production.

In 2010 Laois Partnership provided funding to the Laois Farm Forestry Group to commission a study of the farm forest resource in Laois. This study highlighted the potential of the forestry sector in Laois and identified the opportunity to “add value” to the sector and in particular to develop a robust wood energy supply chain.

Subsequent to this, a 12 month pilot animation programme was delivered to promote diversification in the forestry sector in Laois with a view to developing alternative forestry enterprises and outputs. The programme also facilitated local forestry growers to develop a collective group structure – in the form of the Laois Farm Forestry Group – which allows them to collectively market and sell their product to the growing wood energy market.

The ultimate aim of the programme was to create a suitable environment to deliver a diversified and self-sustaining wood energy market in Laois and the specific role of the Forestry Animator/Co-ordinator was set out as follows:-

- To devise and implement an animation campaign which will promote cooperation among the stakeholders in the forestry sector in Laois and encourage forestry owners to add value to their primary forestry produce by developing a wood energy supply chain.

- To encourage the development of ancillary businesses to the biomass supply chain and to provide a link between Laois Partnership and prospective promoters.

- To assist forestry owners to explore options for tourism and recreation opportunities.

- To identify training needs amongst the sector and to arrange for the delivery of identified programmes.

- To actively engage with the stakeholders through public events and information days, local meetings and individual meetings and to generate a database of forestry owners and forestry service providers.

- To facilitate the transition of Laois Farm Forestry Group from its current role as a discussion group to a legal entity (based on a limited company or cooperative structure) which will be in a position to effectively market and co-ordinate the sale of timber and biomass products on behalf of their members.

- To assist the LFFG to engage in the Vulcan Project as the opportunity arises.
- To prepare bi-monthly reports on progress and also a final project report.

The contract commenced on the 9th September 2013 and continued until the 31st October 2014.

1. Highlights of the Animation Programme

- Five public meetings were hosted which addressed the current issues facing forest owners including; taxation, insurance, market prospects and forest assessment. Fostering knowledge transfer is an essential component in the evolution of the private forestry sector as it progresses from its infancy. These public meetings provide an opportunity for forest owners to receive expert advice and also to share experience with fellow forest owners.

- Development of a website for the Group and the distribution of newsletters. Both of these tools, particularly the distribution of newsletters, allow for the transfer of knowledge to penetrate further into the membership of the Group where it is required most and forms an integral part of the knowledge transfer process.

- Individual meetings were conducted with 62 forest owners. The object of these meetings was to gather specific data in relation to the forest area, species planted, age of plantation, management measures undertaken and assessment of the condition of the forest.

- The collection and transfer of information from private forest owners into a database, currently consisting of 1,567 hectares and representing approximately 26% of the private forest plantation planted prior to 2008[1]. The information gathered provides a valuable insight into the condition of the private forest sector within the county. Analysis of the data in some instances produces a somewhat contrasting image of private forestry plantations when compared to the previous resource study carried out in 2010 by Purser Tarleton Russell Ltd. A potential explanation for the discrepancy is that those who participated in the previous resource study may represent a more engaging subset within the private forest owners of the county.

- Creation of a cluster of forest plantations for first thinning operations involving eight forest owners. All of these forest owners expressed an interest in participating in the cluster in order to maximise the price received for their produce and to achieve a critical mass. The plantations were assessed by a professional forester and deemed to be suitable for thinning. A tender was then assembled and distributed to four contractors, two of the contractors responded and following discussions at committee level, a decision was made and a successful tender applicant was appointed. Harvesting is due to commence in early 2015.

[1] Forest Service (2014)

- Membership within the Group for 2014 was 45 members. This was an increase on the 2011 and 2012 subscriptions of 32 and 41 respectively. No membership fees were collected in 2013 as it was anticipated at the beginning of 2013 that LFFG would be converted into a legal entity.

- The development of a legal entity was one of the core objectives of this project and, in July 2014, the Irish Wood Producers Ltd. (IWP Ltd.) was officially launched. This is a joint venture between LFFG and the forest owner groups of Kilkenny and Wexford. Under the arrangement all commercial activities will be conducted through IWP Ltd., however, LFFG will retain its existing function as a discussion group providing knowledge transfer to its members.

- Identification of forest owners expressing an interest in developing an enterprise which would add value to their forest produce. The majority of these potential enterprises are associated with the firewood processing sector, for example, kiln drying apparatus and fire log processing machines.

- A number of businesses within the immediate region were approached to assess the level of interest that exists in converting from conventional fuels to biomass. While all of those approached expressed an interest in the concept, all agreed that further investigation was necessary to ascertain if this is feasible. A developing market in the heat and power sector for lower grade forest products was observed. Further examination and study of this new market opportunity needs to be carried out to ascertain what benefits there may be for forest growers in Laois.

- Certification for individual farmers can be a costly procedure therefore a pilot project has been initiated to explore the possibility of developing a group certification initiative.

- There was ongoing communication with the Vulcan Project Manager throughout the term of this contract. The funding available from the Vulcan Project was reduced substantially from that which was originally anticipated, however, members of the Group are benefiting from the funding which Irish Wood Producers Ltd. is receiving as it has provided the company with finance to develop a business plan and management plan to ensure its sustainability into the future.

- Laois Partnership Company has been fundamental in the development of the Group by providing funding for resource studies and outreach services. In order for LFFG to continue to maintain its service to its members and to progress the private forestry sector within the county, further assistance will be necessary, particularly in the development of the wood energy supply chain where the funding of a centralised depot or a number of regionalised depots would increase the viability of operations until the sector is firmly established. In addition the funding of an examination into the heat and power sector within the county to examine the deployment of woodchip as a fuel would advance the sector significantly and ensure that any potential wealth creation is retained and dispersed locally.

- The outputs highlighted in this section were achieved as a result of an input by the animator of 1,270 hours. This time was delivered in a flexible manner to facilitate the various working arrangements and commitments of forest owners and to ensure that events were organised at a time which would maximise attendance.

2. Quantifying the County Laois Private Forestry Resource

Forest cover within County Laois remains well above the national average of 11.01%. In 2012, total forest cover within the county was 25,353 hectares representing 14.74% of the total land area. The majority of this forestry is State owned, however a significant portion, constituting some 9,383 hectares and 37% of the total forestry area, within the county is held by private forest owners[2].

2.1. Annual Afforestation Activity

The majority of the forest area assessed under this programme was planted between 1991 and 2005 (Figure 1). This period coincides with a dramatic increase of private afforestation on a nationwide basis[3]. Membership of the Group is confined to those with plantations of eight years or older; hence, forest owners who commenced afforestation for the first time since 2006 were not targeted for individual visits.

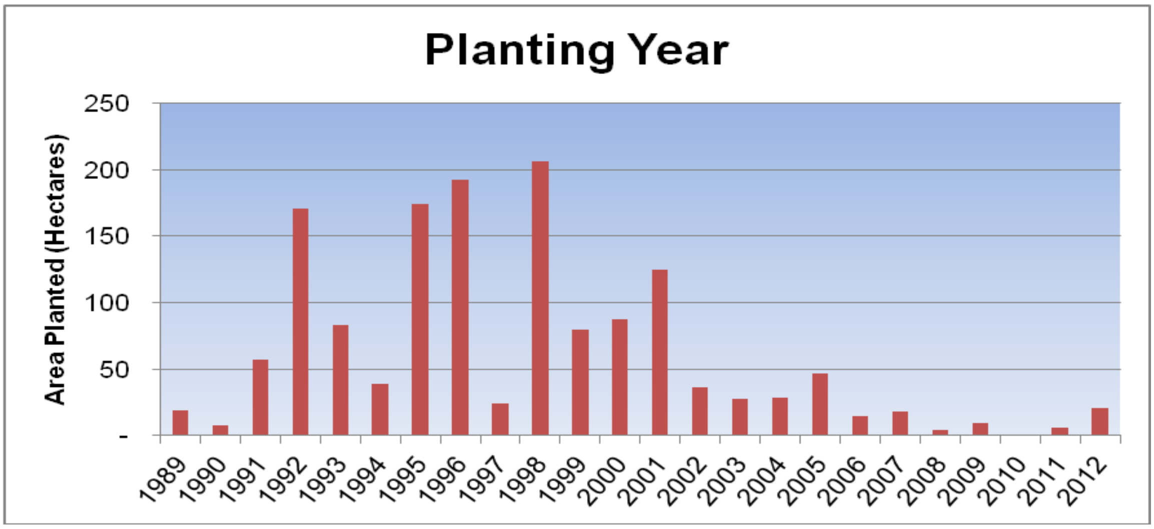

Figure 1: Planting Year of Assessed Forestry

[2] Forestry and Timber Yearbook Statistics (2014)
[3] Forest Service (2008)

2.2. Species Planted

Forest Service records give details of the species of trees that are planted on each plantation, however on a number of occasions whilst collecting data from forest owners, discrepancies were noticed between the Forest Service records and that which was present on the ground. The principal reason for this was the lack of sophisticated mapping techniques, as the majority of the sites were planted before these technologies were readily available. Therefore, the actual planting area of a tree species may overlap into an adjoining area that was designated for a different species.

The composition of the different varieties of trees broadly mirrors the findings of the previous resource study with conifers accounting for 86.3% of the private forestry area assessed while the remaining 13.7% of forest area is planted with broadleaves, mainly oak, ash and sycamore (Figure 2).

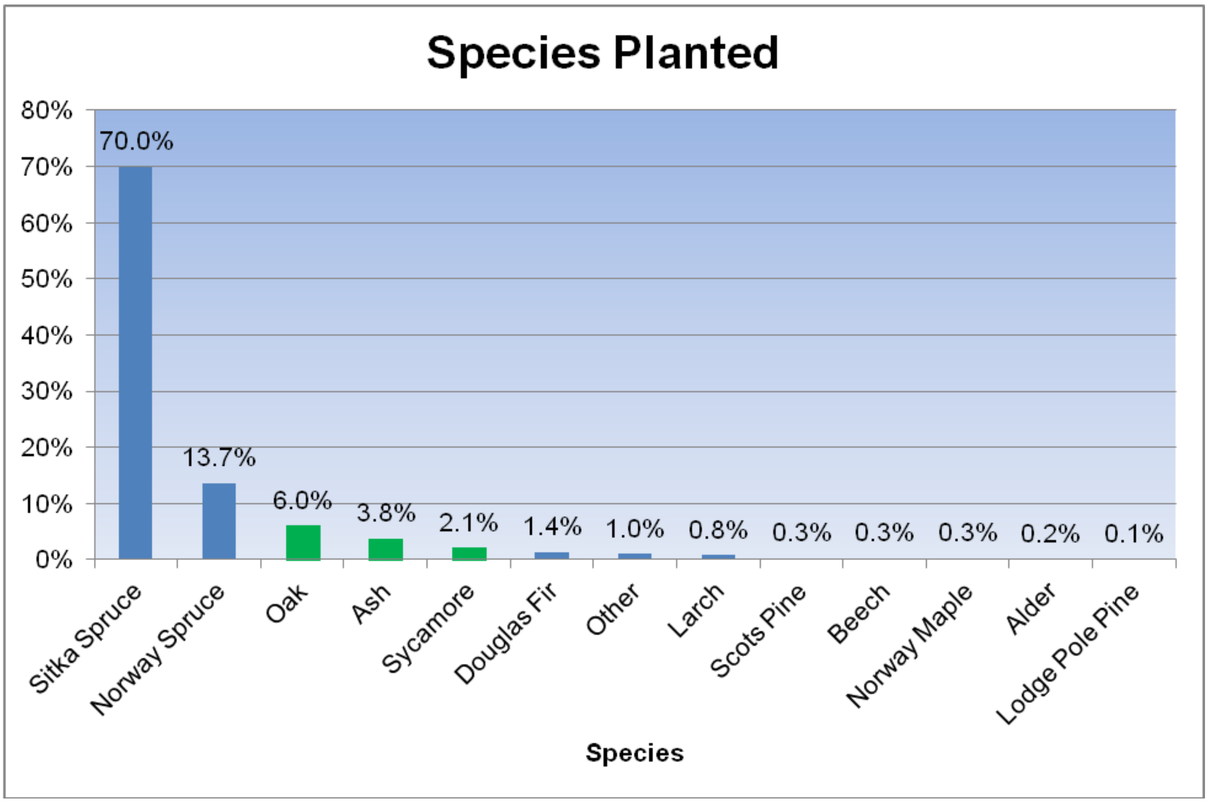

Figure 2: Species Breakdown of Private Forestry Area Assessed

2.3. Size of Areas Planted

Previous studies indicate that the average size of a farm forestry plantation in County Laois is 11.8 hectares with half of all farm forestry plantations measuring 7.4 hectares or less. These figures were based on the assumption of 440 individual plantations within the county. This assumption was made as the Forest Service only provides anonymous data which does not link forest owners to contract numbers.

Many forest owners have more than one contract number associated with planting operations in different years which leads to a distortion of these figures and suggests that the average and median value may be somewhat larger.

The average plantation size of the forestry assessed under this programme was 18.7 hectares while half of all farm forestry plantations assessed were 12.7 hectares or less (Figure 3) indicating a modest underestimate in the previous resource study of the scale of the private forest sector within the county. This increase is entirely attributed to the allocation of multiple contract numbers to individual forest owners. Unproductive areas of forestry plantations which mainly comprise of roads, rivers and ditches were not taken into account.

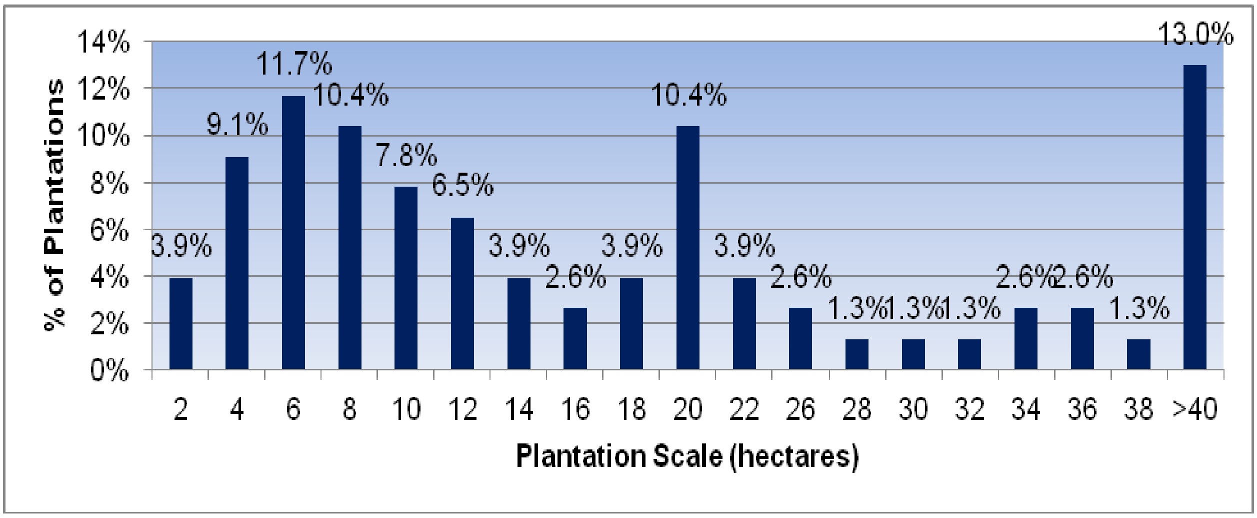

Figure 3: Profiled Scale of Assessed Forestry

<u>Recommendation</u>

Despite the increased average and median size of forest plantations observed in this study, the scale of operations among the average forest owner dictates that a collaborative effort is required in order to conduct general forestry management practices and to achieve the maximum output from their forestry resource, both productively and financially. The continued clustering of private forest plantations with a similar age and species is necessary and the database of forestry gathered within the county provides a useful tool to assist in this process.

3. Forecasting the Timber Production Potential of the County Laois Private Forestry Resource

Previous forecasts on the timber production potential were carried out by COFORD (2009) and Purser Tarleton Russell Ltd (2010). Both forecasts predict a very similar upward trend beginning and ending at very similar levels, although the latter forecast 50% more volume for the period 2011-2020 (Figure 4).

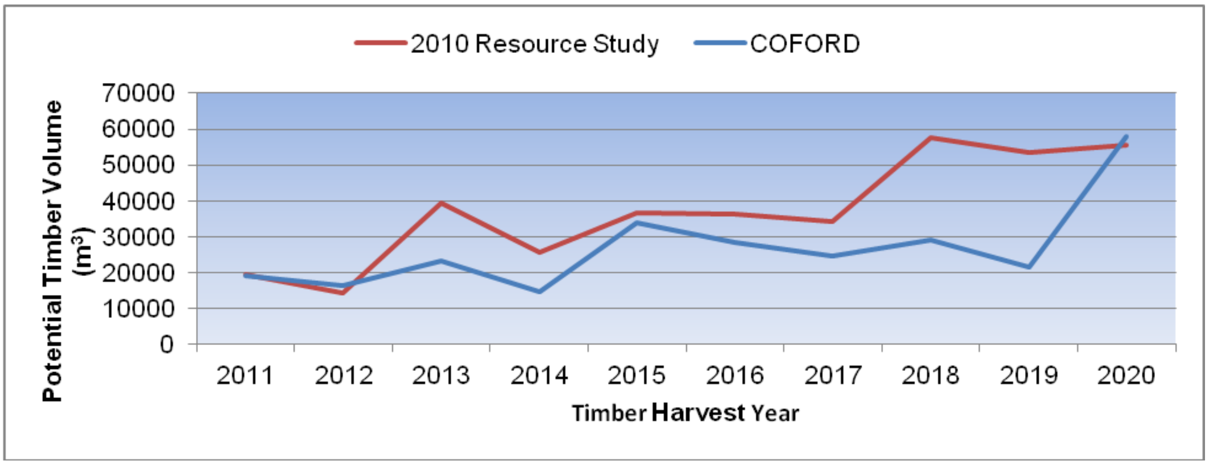

Figure 4: Forecast Comparisons - COFORD Forecast and Laois Farm Forestry Resource Study Forecast

However, both of these studies have limitations, particularly the COFORD study which based its predictions on Forestry Commission yields from the UK and sample analysis of the Coillte forest estate which may not be fully representative of private forests. It also takes no account of the accessibility of plantations, stocking in privately owned plantations and the management intentions of private forest owners.

Purser Tarleton Russell Ltd addressed the majority of these limitations by studying the issues of accessibility, management intentions and customising the average yield class and productive area for the county. Nonetheless, participation in this resource study was voluntary with a formal request made to all known private forestry owners within the county. The unavoidable process of working with willing survey participants resulted in a bias towards assessing the forest plantations of those who may be more progressive or pro-active regarding their forest resource. Evidence to suggest this was observed throughout the term of this contract as a number of sites were assessed and deemed unfit for thinning on silvicultural grounds while findings from the site surveys conducted by Purser Tarleton Russell Ltd indicate that all plantations assessed were classified as being suitable for thinning based on silvicultural criteria alone. However, on an overall basis, this study reaffirms that there are well established plantations of high yielding timber within the county.

There was no yield class information collected or calculated throughout the course of this contract. However based on the increased levels of afforestation since the mid 1990s, there will be a sizeable increase in the amount of timber available for harvesting within the coming decade. Based on general observations and site visits, there is evidence to suggest that the study conducted by Purser Tarleton Russell Ltd may have overestimated the potential timber forecast in the coming years as the data collected during the study represented a more engaging and possibly better informed subset of the forest owners within the county. In contrast, the COFORD study may have underestimated the predicted potential timber volume due for harvesting in the coming years as it does not take into account local soil and climatic conditions which makes County Laois very favourable for growing high quality productive forests.

Recommendation

The private forestry is significant in Laois and has a growing contribution to make to the rural economy of the county. In order to realise its potential, management operations must be carried out in a timely manner. There remains a significant lack of relevant knowledge among many private forestry owners and it is important for the LFFG to continue to promote the importance of timely first thinning operations in broad-leafed and coniferous plantations among its members and help to provide ongoing technical direction in this regard.

4. Clustering

The compilation of a database of private forestry allowed for a cluster of similar properties to be identified. This cluster involved eight forest owners whose forestry is approaching first thinning stage (approximately 16-20 yrs of age). All of these forest owners expressed an interest in participating in the cluster in order to maximise the price received for their produce and to achieve a critical mass. The plantations were assessed by a professional forester and deemed to be suitable for thinning. A tender was then assembled and distributed to four contractors, three of whom were based within the county with the remaining contractor having carried out operations for Wexford Wood Producers Ltd. Two of the contractors responded and following discussions at committee level, a decision was made and a successful tender applicant was appointed.

The storms which occurred in late 2013/early 2014 caused a significant amount of wind blow resulting in an increased heavy burden on forest harvesting resources throughout the country. This has caused significant delays in the commencement of harvesting for the cluster, however the contractor has committed to begin operations for the Group in early 2015.

As new plantations are assessed and approved they are added to the cluster. The cluster currently consists of 58 hectares, however there is an addition 50 hectares of forestry deemed fit for thinning but is awaiting a forester visit or a felling licence.

As the appointed contractor is based locally, there is a reduced requirement to confine the cluster to a small area. The contractor has been provided with an inventory of the plantations due for thinning which details the precise locations of the plantations coupled with their respective estimated yields. This allows the contractor to incorporate the harvesting operations of the cluster into their own work schedule.

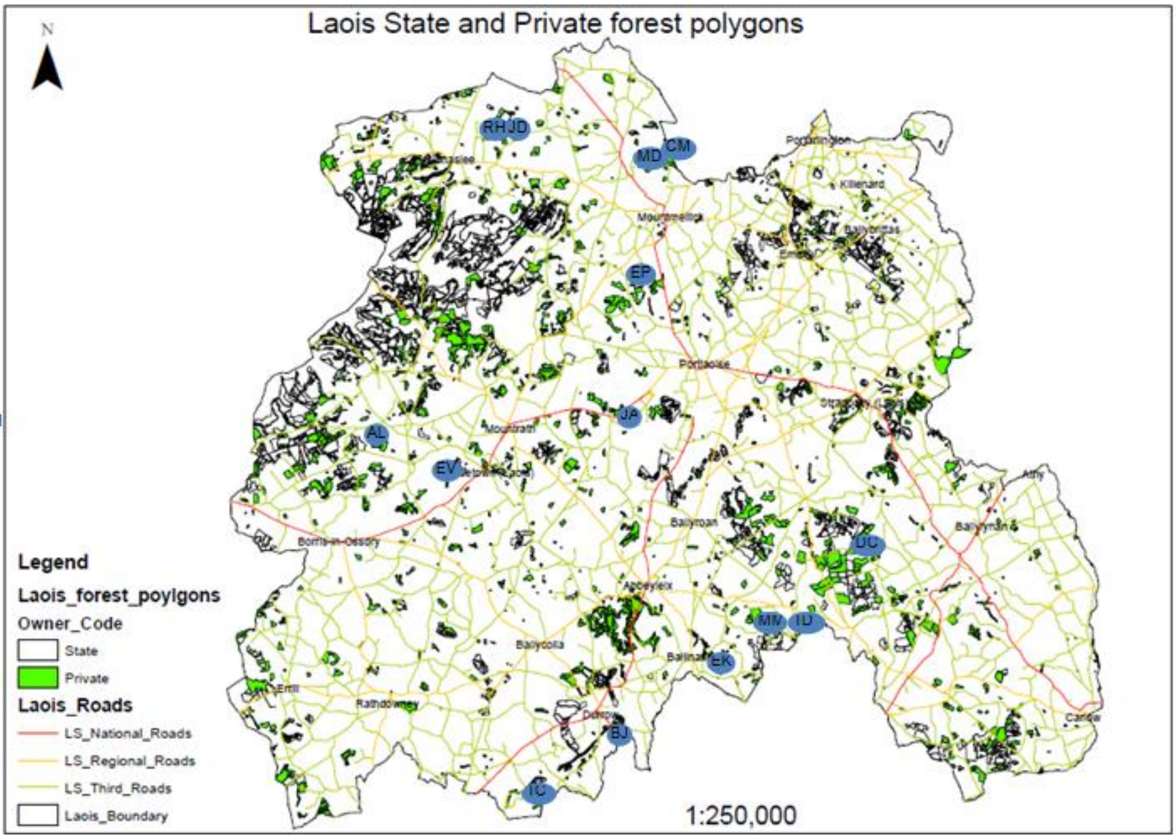

Figure 5: Locations of Plantations Involved in Cluster Harvest Operations

5. Potential for Spin-Off Enterprises

Diversification of the forestry sector and identification of innovative business opportunities is an integral part of ensuring viability in the sector and within the region. While conducting individual meetings, a number of forest owners expressed an interest in developing an enterprise which would add value to their forest produce. The majority of these potential enterprises are associated with the firewood processing sector, for example, kiln drying apparatus and fire log processing machines.

<u>Recommendation</u>

The funding of these and other revenue generating activities is pivotal in ensuring that the value of the local private forestry resource is maximised and that the potential wealth creation is retained and distributed locally. Prospective enterprise developers require support in order to create business plans and to explore possible sources of funding as it arises. It is important that LFFG and Laois Partnership Company continue to engage with such individuals and provide the necessary support and that the financial assistance offered in previous Rural Development Programmes is continued in order to foster these enterprises from concept to reality.

6. Tourism & Recreation

The potential of tourism and recreational opportunities was examined on an ongoing basis throughout the term of the contract. Overall, there is reluctance among forest owners to engage in such activities for a number of reasons. Firstly, there are concerns that existing insurance policies held would not cover any claims that may arise in the event of an accident and the additional premium costs involved in obtaining the relevant cover may render any opportunity unviable. In addition the private forestry sector in the county is fragmented and consists of small isolated plantations and is not in a position to compete with State owned forestry which is largely concentrated in the scenic Slieve Bloom Mountain region and, by contrast, consists mainly of large plantations with free access to the public, thereby minimizing the potential for generating revenue. Finally, in the vast majority of cases, forestry is a secondary revenue source for the forest owner with other agriculture enterprises such as dairying and beef consuming the majority of their time. Therefore, a general apathy exists towards the promotion of tourism and recreation.

Recommendation

It is unlikely that forest owners will actively promote tourism and recreational activities given the current obstacles that exist. The LFFG should examine successful tourist and recreational activities developed on private forest estates throughout the country and assess if a similar opportunity exists within the county. In addition the LFFG should support any future attempts at developing such opportunities by investigating the possible availability and benefits of group insurance schemes and explore potential sources of funding as they arise.

7. Training Needs

A local industry served by a well educated and suitable skilled workforce will ensure that optimal benefits accrue from the considerable investments that have been made in the forestry sector to date. Education and skills training play a critical role in the sustainable development of the industry. Aside from the knowledge transfer events organised, there was no specific training offered to members during the course of the contract primarily because Teagasc recently hosted a chainsaw training course prior to the commencement of this contract. It was therefore anticipated that demand for such training would not justify the organising of a similar course throughout the term of this contract.

The maintenance of a skilled forestry workforce, capable of working to a defined safety specification requires ongoing investment in education and skills training activities. In addition, Health and Safety Authority (2014) figures suggest that approximately 120 serious injuries occur each year which are chainsaw or wood related. Adequate training in health and safety which will create awareness of associated risks has a significant part to play to help reduce this figure.

There are three main types of chainsaw courses:

- Chainsaw Open Enrolment; which is set up for inexperienced operators who wish to develop a skill in basic chainsaw operation.
- Basic Chainsaw Course; where participants perform various skills with emphasis on safety.
- Advanced Chainsaw Course; where participants perform more advanced skills such as processing individual windblown trees, operating a winch and assessing site safety.

Recommendation

The LFFG and IWP Ltd. should actively engage with its membership to investigate the training needs for its members and organise the relevant training as the demand arises and avail of the necessary funding whenever possible. The Group should also inform its members of relevant training events organised by third parties as they arise.

8. Progress on Structure of Forestry Growers

On the 10th of July 2014, almost 300 forest owners from Laois, Kilkenny and Wexford gathered in Woodstock Estate, Inistioge for the launch of the Irish Wood Producers Ltd. This is a not for profit company managed by forest owners to support private wood producers with the development of their forestry and the delivery of timber products. The company was formed to initially service the counties of Laois, Kilkenny and Wexford by providing training events, information meetings and offering forest owners an opportunity to market their produce. The formation of a combined legal entity ensures that critical mass is achieved when providing timber products to purchasers. In addition, it reduces the administration burden on each individual forestry owner group.

The facilitation of the Group into a legal entity involved a considerable amount of mediation between all the relevant parties. There was an eagerness among the members of the LFFG to establish a legal entity in order to collectively market the region’s private forestry produce and following approval from the LFFG committee, it was agreed that IWP Ltd provided the best opportunity to achieve this.

Under the existing agreement, LFFG remains in existence solely as a discussion group while all commercial activities within the county are transacted through IWP Ltd. Timber Kilkenny Cooperative are proposing to disband and revert to a discussion group for the timber growers of Kilkenny while Wexford Wood Producers Ltd underwent a name change to Irish Wood Producers Ltd to facilitate the establishment of the joint venture. A provisional board of directors now exists consisting of six Wexford members, three Kilkenny members and three Laois members.

Recommendation

The current arrangements have evolved considerably from the initial proposals. However, further evolution is necessary in order to address the deficiencies that currently exist at an executive level. The centralisation of decision making and loss of autonomy among the regional grower groups carries a risk of reduced motivation among regional committee members and a uniform approach to all commercial activities overlooks the different conditions that exist in the three counties.

Allowing three county based producer groups to appoint an equal number of the members to the board of directors would ensure that all areas have equal representation whilst ensuring that each county elects its own representative. This would require the re-establishment of a discussion group for the Wexford area.

In addition, the retention of a portion of the commission fee by the regional grower groups would return some element of commercial autonomy to each Group thereby increasing input from grassroots level and allowing each Group to address the varying requirements of the private forest sector that are particular to their respective county.

9. Cooperation with Relevant Agencies

Third party State and semi-State agencies are a valuable source of information and assistance to the private forestry sector particularly at this early stage of development. There were many agencies approached throughout the term of this contract including the Midland Energy Agency, Tipperary Energy Agency, Teagasc and the Irish Bioenergy Association, all of whom were very forthcoming in offering guidance and advice, particularly in relation to the establishment of a wood energy supply chain.

Recommendation

It is important for IWP Ltd and LFFG to remain in contact with all relevant agencies including those mentioned in this section. By informing these agencies of any proposed developments within either Group, the necessary guidance and advice can be obtained and potential sources of funding may be identified.

10. Development of Wood Energy Supply Chain

The development of a wood energy supply chain raises a number of issues. Firstly, a local market must be secured. IWP Ltd currently have a contract for the supply of woodchip to the DANONE Baby Nutrition plant in Wexford, however the transport costs to this facility from Laois deem that this option is only marginally more profitable for forest owners within the county when compared to existing markets. For this reason, a number of businesses within the immediate region were approached to assess the level of interest that exists in converting from conventional fuels to biomass. While all of those approached expressed an interest in the concept, all agreed that further investigation was necessary to ascertain if this is feasible.

The installation of biomass boilers is not a viable option where a facility is currently serviced by the national gas grid. Therefore, the development of a wood energy supply chain is at a disadvantage within the county as the majority of the large heat and energy consumers are located within the Portlaoise and Portarlington region which has access to the gas grid.

Earlier this year, former Minister for Communications, Energy and Natural Resources, Pat Rabbitte announced preliminary details of a Renewable Heat Incentive which is proposed to be introduced in 2016. Further details have yet to be released however if such an incentive was introduced, it would change the landscape for the development of a wood energy supply chain as it may make the installation of biomass boilers more attractive and reduce the payback period on the capital cost involved.

Forest owners require security for their timber after it is harvested. Woodchip can only be supplied to the energy market after it reaches a specific moisture content. In order to achieve this, it must air dry for a period of 3-9 months depending on the time of year and the level of moisture content that it must reach. Under such circumstances timber is usually left at roadside or on the farmers land until it is ready for the market. This has, on occasion, lead to incidences of timber theft, particularly among forest owners in isolated areas. In order to reduce the risk to forest owners, a centralised depot for timber awaiting entry into the energy market is necessary. The correct site for such a depot would ensure that proper security arrangements can be developed to protect the forest owner’s produce.

The use of a depot is also necessary for efficient chipping of timber before it is removed to the market. A centralised depot would reduce the requirement for a chipper to travel to a number of different sites thereby minimising chipping costs. Timber could also be chipped in advance of requirements and stored onsite until necessary. A roofed storage area at the depot site is required to facilitate this.

As the wood energy supply chain within the county is currently only in the development stage, financial assistance will initially be required in order for the

Group develop suitable storage areas for timber. However, as the industry grows and markets become more secure and stable the Group should be in a position to feasibly operate such premises without external funding.

Recommendation

The introduction of a renewable heat incentive is a prerequisite to ensuring that the country as a whole meets its renewable heat targets by 2020. This would also fast track the development of a local wood energy supply chain by incentivising the conversion to biomass.

Strategically placed depots are an important link in the supply chain and will provide security for harvested timber until it is ready for the market. Potential suitable depots sites should identified by the LFFG in order to progress the development of the wood energy supply chain. The renting of a number of such sites would reduce fire risk, distribute revenue locally and allow the flexibility to adapt to the evolving market conditions. LFFG should also engage with local support organisations such as Laois Partnership to examine the possibility of funding for such depots in order to accelerate the development of the supply chain and ensure its viability.

There is a developing market in the heat and power sector for lower grade forest products with many agreements already made between local forest owner groups and energy users particularly in the north west of the country. Further examination and study of this new market opportunity needs to be carried out to ascertain what benefits there may be for forest growers in Laois. It is imperative for the development of the wood energy supply chain within the county that funding is obtained to conduct such a study.

11. Collective Marketing and Development of Standards

11.1. Certification

Forest Certification is a process that leads to the issuing of a certificate by an independent party, which verifies that an area of forest is managed to a defined standard. Like the Bord Bia symbol on produce, forest certification is intended as a seal of approval, a means of notifying consumers that a wood or paper product comes from forests managed in accordance with strict environmental and social standards.

There is an increased demand for certified timber, largely driven by consumer interest in eco-labelled wood products. In response to the growing market for certified timber, many forest owners need to consider forest certification to maintain and expand market access.

All wood produced from Coillte plantations is certified however with the growing volume of timber expected from the private sector there is increased pressure to adopt a form of certification for private forest owners. Certification for individual farmers can be a costly procedure therefore a pilot project has been developed to explore the possibility of developing a group certification initiative.

11.2. SIMWOOD

The LFFG has been cooperating with IWP Ltd. on the SIMWOOD (Sustainable Innovative Mobilisation of Wood) project. This successful joint application was with 28 partners from Germany, Belgium, Finland, France, Great Britain, Ireland, The Netherlands, Portugal, Sweden, Slovenia and Spain. Europe has more than 117 million hectares of forest, but the sustainable utilisation of wood falls short of its potential. The ever-increasing demand for wood for material and energy applications is becoming increasingly difficult to meet. In response, the EU project SIMWOOD aims to promote a more efficient use of the available supply of wood and bolster Europe’s forestry and wood industry.

SIMWOOD aims to improve wood mobilisation by utilising an integrated approach. Besides topics like forest ownership and forest harvesting techniques, the project partners attach particular importance to the participation of existing local interest groups and the impact on a forest’s capacity to provide other ecosystem services. SIMWOOD will record existing socio-economic, technical and ecological barriers and identify solutions for wood mobilisation and analyse them with regard to the objectives set in the 14 model regions of the project. In addition, through a series of pilot projects, SIMWOOD is testing promising solutions and initiatives in close cooperation with local stakeholders.

12. Vulcan Project

The Vulcan Project is part of Danone’s Ecosystem Fund intended to strengthen and develop the activities of farmers and suppliers. The focus of the Vulcan Project evolved over the course of the programme, from forming five individual legal entities within each of the individual grower groups to establishing a larger scale legal entity encompassing a number of producer groups.

There was ongoing communication with the Vulcan Project Manager throughout the term of this contract. The funding available from the Vulcan Project was reduced substantially from that which was originally anticipated and the direction of much of this funding is predetermined before it is granted therefore the scope for engagement by the LFFG with the Vulcan Project was limited. However, members of the Group are benefiting from the funding which IWP Ltd. is receiving as it has provided the company with finance to develop a business plan and management plan to ensure its sustainability into the future.

13. Maintaining a List of Service Providers

A list of service providers has been compiled and is updated on an ongoing basis. These service providers are recommended to members of the group, however the list has not been published. The primary reason for this is to ensure the Group refrains from endorsing any particular service provider over another. In addition, whilst negative feedback about individuals or companies may justify their removal from a published list, the Group may be unable to do so unless such feedback is substantiated or proved, therefore, the Group has chosen to refrain from making public this list of service providers.

Conclusion

The private forestry is significant in Laois and has a growing contribution to make to the rural economy of the county. The findings of this project reaffirm that there are well established plantations of high yielding timber. However there is a notable lack of knowledge amongst the grower cohort and wealth creation potential could be compromised particularly in relation to thinning and wood mobilisation generally. Continued and focused knowledge transfer will be required to develop the skill and the capacity of the primary producers to function in a new market place for them and to act in a co-operative fashion. It is important, in the immediate term, that the financial assistance offered to the Group in previous Rural Development Programmes is continued in order to provide the outreach services necessary for the forestry sector within the county to achieve its potential.

There are developing markets in the heat and power sector for lower grade forest products. Further examination and study of this new market opportunity needs to be carried out to ascertain what benefits there may be for forest growers in Laois. LFFG is an evolving organisation that has provided an invaluable service to its members by increasing awareness among forest owners within the county about the value and management of their forestry. Laois Partnership has been fundamental in the development of the Group by providing funding for resource studies and outreach services. In order for LFFG to continue to maintain its service to its members and to progress the private forestry sector within the county, further assistance will be necessary, particularly in the development of the wood energy supply chain where the funding of a centralised depot or a number of regionalised depots would increase the viability of operations until the sector matured. In addition the funding of a study examining the heat and power sector within the county which explores the integration of woodchip as a fuel would advance the sector significantly and ensure that any potential wealth creation is retained and dispersed locally.