

# Irish Forestry and the Economy

The forest industry comprising, growing, harvesting and processing of forest products makes a significant and growing contribution to the Irish economy. Total output in 2012 was c. €2.3 bn.

Almost 11% of Ireland is under forest, supporting a vibrant and export-oriented forest products sector.

Over 89% of the output from the panelboard sector is exported along with almost 60% of Irish sawmill output. Over the period 2011-2012, the Irish panel products sector was the second largest exporter of particleboard and OSB to the UK and in the period 2010 to 2012, Ireland was the largest exporter of MDF to the UK.

Over the period 2000-2012, the volume of sawn softwood which has been exported by the sawmill sector in the Republic of Ireland has increased by 195%. From 2007 to 2012, Ireland's market share of the sawn softwood market in the UK has grown from 3.37% in 2007 to 6.52% in 2012.

Contribution to climate change by Irish forests absorbing carbon dioxide from the atmosphere is approaching 4 million tonnes of carbon dioxide annually, or about 6% of total greenhouse gas emissions. In terms of complying with Kyoto targets, the contribution from afforestation post-1990 is c. 15 million tonnes of carbon dioxide over the 5 year period to the end of 2012 saving the taxpayer €220 million over this period.

In 2012, 2.84 million cubic metres of roundwood was harvested in the Republic of Ireland. 2.35 million cubic metres of this was supplied by Coillte, with the balance (0.49 million cubic metres) being provided by the private forest estate.

The roundwood (timber in trees) to come to market is forecast to increase from the 2.84 million cubic metres in 2012 to 6.95 million cubic metres in 2028. In short, the volumes of roundwood available within the Republic of Ireland are set to more than double over this forecast period. This increase in roundwood output is forecast to come almost entirely from private sector forests.

In 2012 the total employment generated by activities in the forest and wood products sector was 12,000 full time equivalents.

It has been estimated that if 15,000 hectares are planted per year, (6,250 hectares were planted in 2013) on average 490 direct jobs would be required annually to establish, manage, harvest and process that timber. The direct employment (over 40 years) associated with 15,000 hectares planted in any year therefore would average 490 full time equivalents annually.

Apart from climate change benefits, forests provide the largest outdoor area for recreational use. This has been valued at €97 million, which in turn generates €268 million in economic activities for communities in rural areas. Annual visitor numbers to Irish forests are in excess of 18 million.

There is significant potential for wood fuel to displace fossil fuel, particularly in the generation of heat in industrial, commercial, domestic and institutional markets. After wind energy, wood fuel is the largest contributor to renewable energy generation in Ireland.