

**Draft minutes of the IFCI Ltd. Steering Committee (SC) meeting, 21<sup>st</sup> July, 2006. VOICE  
Offices, 9 Upper Mount St., Dublin 2.**

**Present:** Ruth McGrath (Chair), Declan Little (Secretary), Tony Mannion, Ken Gill, Alistair Pfeifer, Tara Ryan (substitute for Donal Whelan), Barbara Maguire (Treasurer) and Caroline Lewis.

**1. Minutes of last meeting**

The Chairman, Ruth McGrath, formally opened proceedings and thanked everyone for attending. The minutes of the last meeting held on March 6<sup>th</sup>, 2006 were endorsed after a number of minor amendments were inserted.

**2. Matters arising**

Confirmation of funding committed by the Forest Service re the public consultation was received. The amount involved is c. €31,000, i.e. 75% of what was requested. Crann will ascertain its status as an FSC member

**3. Report from National Initiatives Meeting in Austria**

The Chair attended the above in May and circulated a report to the SC subsequently. The main points arising from this meeting were;

- Membership fees for National Initiatives are generally much higher than those charged in IFCI Ltd. A total of €634,000 was taken in by FSC European Initiatives to date.
- Member affiliation is not as stringent in other countries as in Ireland; there may be scope to include Trade Unions and Co-operatives in the Social Chamber in Ireland

**Action:** The Chair will further explore the membership fee issue. She will also enquire of Liviu Ameriei, FSC re the Draft Standard having to be endorsed by 2010.

**4. Correspondence**

(a) The Chair received correspondence from the Soil Association regarding a derogation being sought by Coillte for the pesticide cypermethrin used in the control of large pine weevil. The views of IFCI Ltd. were sought and consultation on the matter will close in December 2006.

**Action:** SC members are to consult with their constituents and chamber members, preferably in writing, in order to form an opinion. The SC will provide the Soil Association with the views of its constituent chambers by December (as opposed to a collective SC view). The derogation text and links to the US EPA and FSC websites will be provided on the IFCI website for stakeholders to inform themselves.

(b) The Secretary received a letter from the NARGC including its membership subscription for 2006. However the NARGC insist on being on the Environmental Chamber.

**Action:** The Secretary will write to the NARGC thanking it for subscription but informing that they can only sit on the Social Chamber.

**5. Accreditation update**

The Secretary circulated a draft response to FSC re conditions imposed upon accreditation in February.

**Action:** The SC will respond to the Secretary by July 28<sup>th</sup> re amendments. Subsequently the letter will be sent to FSC.

- 6. Dispute Resolution Committee - Grievance of Mr Tony Lowes**  
The Dispute Resolution Committee convened on July 12<sup>th</sup> and the minutes of same were read to the SC. Caroline Lewis voiced dissatisfaction at not being informed of details re Grievance Committee as she is a member. The Chair as saw it as a conflict of interest and judged that another member of the Environmental Chamber should substitute for Caroline. However she forgot to inform Caroline of this and apologised for this oversight.  
**Action:** the Secretary will send the minutes circulated with minor amendments to Mr Lowes with an accompanying cover letter.
- 7. Draft Standard - ratification and distribution/availability**  
The SC discussed the outstanding issues regarding the Draft Standard prior to making it available for the public consultation process. All outstanding issues except Principle 10. B (FSC P&C 10.4 and 10.8) i.e. Species selection for plantations, were ratified.  
**Action:** A note to this effect will be distributed with the Draft at consultation informing stakeholders that the SC did not agree this section. The Standard will be published in hard copy and made available on the IFCI website.
- 8. Public consultation**  
The process of public consultation was discussed including publication of the Draft Standard, stakeholder meetings and the taking of submissions. An article for the local press on the process was deemed necessary. It was agreed that submissions from stakeholders could be made in writing or via e-mail to the IFCI e-mail address. Submissions must be made against the text in the current Draft. A sample of same will be provided on the website and in hard copy. Subsequently the IFCI TWG will assess submissions and justify the reasons for including or omitting same.  
**Action:** Tony Mannion will draft procedures for consultation process, including key tasks, and circulate it to the SC in the coming weeks. Tara Ryan will confirm if she can sit on a proposed consultation sub group. The Chair will enquire regarding a facilitator.
- 9. Secretarial duties (hiring of same)**  
It was agreed secretarial support should be hired ASAP on a one day/week contract over a six month period. Office space at Woodlands of Ireland and VOICE were offered as a benefit in kind to same.  
**Action:** Ken Gill and Tara Ryan will enquire re availability of suitable personnel for this task ASAP.
- 10. Membership Fee**  
After some discussion it was agreed to bring the issue of membership fees to members at the AGM in September.
- 11. Arrangements for AGM**  
It was agreed to try and get a location in Portlaoise for this years AGM.  
**Action:** The Treasurer will instigate the auditing of accounts and ascertain the date by which they must be sent to the Companies Office. As 21 days notice of the AGM must be given to all members this task must be addressed ASAP. The Secretary will enquire re hotel facilities in Portlaoise.
- 12. Co-options to the Steering Committee**

A proposal to co-opt Ms. Anja Murray to the SC on the Environmental Chamber was discussed.

**Action:** This proposal was agreed and endorsed.

**13. AOB.**

There was no item under this heading.

**14. Presentation on Broadleaves – Henry Philips**

Henry Philips a Forestry consultant hired by Coillte to assess the economics of broadleaves on its estate addressed the SC. He circulated a handout on aspects and methods of economic appraisals used in forestry and explained the concepts involved. Mr Philips asked that the document provided would not be quoted (or misquoted) without prior permission from him and this was agreed. Subsequently, he answered questions on the specific methods, which were used, and the resultant data in the report compiled for Coillte. A number of key issues transpired

- An older version of the report is in circulation, which contains a number of data errors. Alistair Pfeifer will circulate the newer version, which will contain no data errors.
- Discount rates used in forestry vary depending on 'commerciality', i.e. State versus private sector
- Risks such as windblow or insects in plantation forestry may reduce the discount rate but not appreciably.
- Average Yield Class for Sitka spruce in 2002 was c. 16.7 and this is expected to rise to 18 in future.
- Financial rotations are lower than biological rotations in conifers. In order to get financial rotations for broadleaves there is a need to get reliable data for hardwood prices, which is difficult.
- Rotation length for broadleaves derived from the Forestry Commission Practical Guide and not the COFORD tables
- If re-evaluation were to be carried out shorter rotations and lower discount rates could be applied.
- Negative discount values were arrived at when stumpage was included in the calculation. (If stumpage were added to costs the resultant discount values would be zero in cases where the discount values are currently negative).  
Discount Revenue = Stumpage price x Volume

When asked how he would address the issue of future species mix Mr Philips responded as follows:

- (a) Quantify what kind of industry you want in 20 to 30 years time
- (b) Diversify to provide flexibility and added value
- (c) Plant on a strategic catchment basis to address supply