### <u>Detailed guide: Create woodland:</u> <u>overview</u>

If you plan to create woodland in England you can get advice and grant aid from the Forestry Commission. You'll need to know how your woodland will be regulated and monitored. You may be eligible for a grant to create woodland.

#### Woodland creation funding and grants

You may be eligible for funding and grants to create woodland.

There are 3 major funding schemes available for woodland creation in England (plus funding for carbon sequestration):

# Woodland creation funding to improve biodiversity and water quality

Countryside Stewardship scheme funding is available from the European Agricultural Fund for Rural Development (EAFRD) under the Rural Development Programme for England (RDPE). The Woodland Creation Grant (WCG) element of Countryside Stewardship supports you where your woodland will help one or more of the following:

- local biodiversity (priority habitats and priority species)
- water objectives (to improve water quality or help reduce flood risk)
- climate change mitigation or adaptation

You can apply for capital funding to establish new woodland, including planting trees and installing tree guards, fencing and gates. You could receive up to 80% of the standard costs for these items and a contribution of 40% of the cost of roads and tracks needed to support the woodland's establishment (including agent fees and VAT, where applicable). Payments are capped at an average £6,800 per hectare across the area for planting and protection (not including forest roads and tracks).

Find out if you're eligible and how to apply.

#### Funding to plan and design a new woodland

The Woodland Creation Planning Grant (WCPG) provides funding to help cover the costs of producing a UK Forestry Standard (UKFS) compliant woodland creation design plan, which can support applications to other funding sources for woodland creation, such as the Woodland Carbon Fund.

This grant contributes to the costs of gathering and analysing information needed to make sure that your proposal for productive multi-purpose woodland (over 10 hectares) considers impacts on:

• biodiversity

- landscape
- water
- the historic environment
- local stakeholders

#### The grant also:

- ensures the tree species you want to plant are productive today and in the future to mitigate climate change
- helps to meet timber productivity thresholds in England

You can apply for up to £150 per hectare, capped at £30,000 per project.

Find out if you're eligible for the Woodland Creation Planning Grant and how to apply.

#### Funding for woodland creation to support carbon storage

The Woodland Carbon Fund supports the planting of productive, multi-purpose woodlands to store carbon. It also provides opportunities to work in partnership on landscape scale projects and open up public access to woodland and increase environmental benefits.

The scheme offers capital funding for the creation of new woodland. This includes the planting of trees and costs of protection items including tree guards, fencing and gates. You can also get funding for the installation of forest roads and recreational infrastructure.

A one-off capital payment of £1,000 per hectare is available in year 5 following successful establishment of the trees.

Find out if you're eligible for the Woodland Carbon Fund and how to apply.

#### Earn extra income from selling carbon

If your project is not cost-effective with Woodland Carbon Fund grant alone, you might be able to earn further income by selling carbon credits from your project. To do this you need to register with the Woodland Carbon Code within 2 years from the start of planting. Validation/verification to this standard provides assurance of the carbon savings and access to the voluntary carbon market.

Read an overview of <a href="The Woodland Carbon Code leaflet">The Woodland Carbon Code leaflet</a> (PDF, 630KB, 3 pages)

Find out more about the <u>Woodland Carbon Code scheme for buyers and</u> landowners.

#### Woodland creation design plans

You need to carefully design new woodlands to fit within the landscape and accommodate features of interest. Find out more about the forest design process in the <u>UK Forestry Standard</u> and practice guide on <u>Design techniques</u> for forest management planning.

You need to develop a written plan supported by a:

- site context map
- site appraisal plan
- design concept plan
- final woodland creation design plan

To develop these documents you can apply for the Woodland Creation Planning Grant.

#### Tax planning

To preserve and protect national heritage — including woodland — for the benefit of the public, the government introduced the 'Conditional Exemption Tax Incentive Scheme'. Find out if you might get relief from Inheritance Tax and Capital Gains Tax because you own a woodland.

#### Case studies

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Αt
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Cherryrock Farm
(PDF, 290KB, 2 pages)
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Mr Howes, a farmer from Bristol, worked in partnership with the Forestry Commission and the Woodland Trust to improve biodiversity and enhance wildlife on his land through tree planting.

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In this second case study,
Common Farm
(PDF, 1.79MB, 2 pages)
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] was designed after extensive consultations with local groups, organisations, elected councillors and residents — hundreds of people got involved in tree planting events.

#### **Environmental impact**

When you apply to plant a new woodland via a woodland creation grant from the Forestry Commission the application will automatically be considered under the Environmental Impact Assessment (Forestry) (England and Wales) Regulations 1999, as amended. The Forestry Commission is responsible for the assessment of the effects of certain public and private woodland projects on the environment, and will work with you to make sure you don't break the rules.

If you want to plant a new woodland without grant support you may, depending on the size and location of the proposed project, need to submit an [EIA enquiry form].(government/admin/publications/839736)

#### Create sustainable woodlands: UK Forestry Standard

Read the UK Forestry Standard (UKFS), the reference standard for sustainable forest management across the UK.

This guidance applies to all UK woodland and explains the international agreements and conventions that apply to sustainable forest management to address climate change, help biodiversity and protect soil and water resources. It covers all forestry activities in the UK and sets out the legal requirements and best practice standards for owners of woodland.

You can find country-specific advice on which tree-species to plant in the UKFS publication. Find further information on <u>species and provenance choice</u> <u>for adapting England's woodlands</u> from Forest Research, the research agency of the Forestry Commission.

Use the Forest Research tool — <u>Ecological Site Classification Decision</u> <u>Support System (ESC-DSS)</u> — to help you select species ecologically suited to your site.

# Plan for sustainability: best practice and voluntary certification

#### Climate change

When designing new woodlands, it's important to consider how tree species suitability is likely to change in the future. Find out about <u>tree species</u> and <u>resilience to climate change</u>. This information is available from Forest Research.

If you're planting trees you should source trees grown in the United Kingdom from a Forest Reproductive Material Certified supplier. Find out more about working with seeds, cuttings and planting stock.

#### Habitats and species protection

You need to consider habitats and species already present on the land when planning a new woodland. Find out more about <u>habitats and species protection</u> and how to <u>benefit species and habitats biodiversity in your woodland.</u>

You also have to work out how best to protect the trees that you plant from tree pests and diseases that pose serious threats to woodland. For tree pests like squirrels and deer read guidance on <u>managing threats from destructive</u> animals and invasive species.

#### Plan to manage woodland once it's established

Once you've created woodland you'll have to follow the rules on:

- tree felling licences
- tree health, pest and disease control
- Environmental Impact Assessments (EIAs)
- woodland species and habitats protection

If you decide to trade in wood products you'll also have to meet regulations and monitoring requirements. Find out more about <u>trading in wood materials</u>.

Read guidance on <a href="Managing ancient and native woodland in England">Managing ancient and native woodland in England</a> (PDF, 1.13MB, 71 pages)

including information on woodland assessment and monitoring, management planning, woodland structure, tree species, restocking, species management and conservation and recreational, educational and sporting uses.

Read guidance on

The management of semi-natural woodlands
(PDF, 934KB, 36 pages)

including information on the need for management, harvesting, weeding, tending and thinning, tree regeneration, grazing and pest control.

For further information on woodland management and mitigating the impact of climate change read <a href="Climate change: impacts and adaptation in England's woodlands">Climate change: impacts and adaptation in England's woodlands</a> (PDF, 1.92MB, 16 pages)

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#### Use online tools to find out more about your land

#### The Land Information Search

If you plan to purchase woodland or land to plant with trees you can use the <u>Land Information Search (LIS)</u>. This map-based tool allows you to search for information about land designations or features that might already apply to your land. Examples of these features include:

- special protection areas
- grant schemes
- Countryside Stewardship targeting layers
- low risk areas for woodland creation
- sites of special scientific interest
- scheduled monuments

#### **Public registers**

You can find useful information — such as proposals for woodland creation and tree felling — using the <u>Forestry Commission public registers</u>.

The Forestry Commission consult with other statutory bodies such as Natural England when proposals may affect protected sites such as Sites of Special Scientific Interest (SSSI).

#### Open access land

The Countryside and Rights of Way Act 2000 (CRoW Act) normally gives a public right of access to land mapped as 'open country' (mountain, moor, heath and down) or registered common land. These areas are known as 'open access land'. You can find out if the public has a right of access to land under the CRoW Act using CRoW and Coastal access maps.

Much of the coastal margin that's being created as part of the work to implement the England Coast Path is also open access land.

Find out more about <u>managing public rights of way and access and to your</u> land.

#### Contact the Forestry Commission, England

Find the <u>Forestry Commission's Area Office and Administrative Hub contact</u> <u>details</u> including, address, telephone number and email address.

#### Forest Research

The research agency of the Forestry Commission offer a range of services which will <u>help with pest and disease control</u> and also offer resources such as <u>publications</u>, <u>statistics</u> and <u>datasets</u>.

# <u>Detailed guide: Request a map from the Forestry Commission</u>

Allow two weeks for delivery if you plan to apply before an application window closes.

The Forestry Commission only accepts application maps if they are on an Ordnance Survey MasterMap® base.

We have adopted Ordnance Survey MasterMap® as the required map standard for applications. MasterMap® is the most up-to-date large-scale digital map of

Great Britain and is recognised as the mapping standard.

#### Request a map for your grant or felling application

Download, print and complete the <u>Map Request Form</u> and send it to your <u>the Administrative Hub</u>.

You should provide a copy of another map clearly highlighting the full area that needs to be on the print that shows the National Grid Reference of a point near the centre of the highlighted area.

Alternatively, give the grid references for the 4 corners of the area you need. Make sure that the whole area of the application is included within the 4 points.

We provide all maps at A3 size and orientated landscape or portrait depending on the application area.

#### Copyright

Please note, these maps must only be used as part of a Forestry Commission application process. If you use the map we give you for any other purpose, you will be in breach of copyright.

## <u>Detailed guide: Work with planting</u> <u>material for forestry purposes</u>

*Updated:* We have published an updated edition of the guidance on "Regulations controlling seed, cuttings and planting stock for forestry in Great Britain", which is accessible from the text link "FRM and controlled species".

If you collect and market seeds, cones, cuttings or planting stock for use in forest establishment, or collect seed and grow it in order to sell as planting stock to be used in forest establishment, there are rules applying to 46 controlled tree species that you must follow. You must be on the Forestry Commission's Forest Reproductive Material public register of suppliers — it's free to register, find out how to register below.

See the list of controlled species
(PDF, 913KB, 2 pages)

There's also a voluntary scheme for the certification of non-controlled species of native trees and shrubs to help collect further valuable information — see below.

Read the detailed policy document that includes information on the regulations that cover <a href="#">FRM and controlled species</a>
(PDF, 6.81MB, 40 pages)

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The Forestry Commission is responsible for a system of identification and control of seeds, cuttings and planting stock used for forestry purposes in England, Scotland and Wales so that the people who buy forest material have enough information on the provenance, origin and genetic quality of the material they're buying.

The system covers 'basic material' (see below) used for any forestry purpose, including:

- timber production
- forests and woodlands for tourism, recreational, sporting, educational or amenity purposes
- the conservation and enhancement of the forest and woodland environment

The term 'forestry purposes' excludes:

- landscape planting for transport infrastructure
- urban planting associated with industrial and urban developments
- production of Christmas trees

#### Basic material and forest reproductive material

The term 'basic material' refers to the sources of FRM. There are 6 sources of basic material:

- seed sources these can range from a single tree to any collection of trees within a region of provenance, or a native seed zone that includes an altitude band above or below 300m
- stands defined areas or groups of trees with identified boundaries
- seed orchards and parents of tree families sources based on known individuals derived from tree breeding programmes (and the FRM produced will be seeds)
- clones and clonal mixtures individuals from breeding programmes, but the FRM will be produced through vegetative propagation

#### FRM can consist of:

- fruits
- seeds

- cones
- all parts of plants obtained by vegetative propagation, including embryos and plants produced from any of these

You can only market FRM from registered basic material. There are 4 categories of reproductive material according to the basic material you collect it from:

- source-identified FRM comes from general or specific locations within a single region of provenance or native seed zone with an altitude band, but with no specific superior qualities recognised
- selected FRM is collected from stands showing superior characteristics (for example, better form, growth rate and health)
- qualified FRM derives from the selection of superior individual trees that have not undergone any form of testing
- tested FRM derives from the selection of individual trees or stands that have been evaluated for genetic quality or, in comparison to accepted standards, have been shown to be superior

#### National Register of Approved Basic Material

The Forestry Commission maintains the National Register of Approved Basic Material for Great Britain (The National Register). This is published in accordance with the Forest Reproductive Material (Great Britain) Regulations 2002 and European Union directive 1999/105/EC, which controls the marketing of Forest Reproductive Material in the EU.

Download and search the <a href="National Register spreadsheet">National Register spreadsheet</a>. (MS Excel Spreadsheet, 469KB)

The link on the right-hand column of the spreadsheet ('NR entry') will then take you to a 2-page .pdf showing stand, location, contact and site information, together with a map.

Or you can use the search facility to find:

- registered stand of approved basic material
- seed orchard, clonal material or parent(s) of family(ies) material

<u>Download the full 651-page National Register (without maps).</u> (PDF, 2.35MB, 653 pages)

The National Register is kept under constant review and will be regularly updated. The version available is current as at 31 January 2018.

#### Apply to register basic material

You can only apply for registration on the national register of approved basic material if you're the owner or authorised agent, or a person with

written authority from the owner.

Download and submit form <a href="#">FRM1A</a> to apply for the registration of a stand or orchard as an approved source of basic material.

The Forestry Commission may want to inspect the basic material and check all relevant information. Applications to register stands in the 'Selected' category and applications to register 'Indigenous' stands will always be inspected to ensure they meet the relevant criteria. If the Forestry Commission accepts your proposed material, you will receive a copy of the register entry, including a unique register identity.

Once you have Forestry Commission approval of basic material, you must keep copies of all documents relating

to the application. You must keep these documents for 5 years from the date of your application or for as long as the basic material is on the national register, whichever is greater.

The Forestry Commission will let you know if your application is rejected and you can make an appeal (see below).

#### Re-inspection of basic material

Once you've registered, you may need to prepare for a re-inspection of your basic material. The Forestry Commission gives you at least 14 days' notice of a proposed site visit. Re-inspection will concentrate on any material changes to the area and structure and composition of the material that could take it below the threshold for that particular category. Reasons for this might be:

- partial felling
- windblow
- disease
- pest attack
- thinning operations

You must inform the Forestry Commission of any changes to basic material — this is to prevent marketing of reproductive material that doesn't meet the requirements of the appropriate category. You must also tell the Forestry Commission of any reduction in area of the basic material — or any material change to its composition or stocking — no later than 28 days before a collection of reproductive material. Changes to basic material could mean it's either downgraded to a lower category or removed from the national register. This might trigger an inspection.

#### Register as a supplier of FRM

Check if you should be registered as a supplier — this will help you comply with the regulations.

Download, complete and submit form FRM6 to apply for registration.

You must provide the following details:

- supplier's name, address and contact details
- nature of the business or trade in which FRM is marketed
- each address where you pursue FRM-related activities

The Forestry Commission will always register an application unless the applicant is likely to breach regulations or does not in fact market FRM. You'll be notified within 14 days of a refusal to register.

If the Forestry Commission is satisfied that a registered supplier has breached the regulations, their name may be removed from the register or conditions may be imposed on the continuing registration.

See the register of FRM suppliers (PDF, 49.2KB, 6 pages)

#### **Inspections**

You could be inspected by the Forestry Commission. Inspectors may visit collection sites, seed extraction units, seed testing facilities, nurseries, storage facilities and any other premises involved in FRM production.

Separation, labelling and mixing of FRM will also be inspected to ensure compliance.

It's an offence if you fail to:

- adhere to the procedural requirements find out more with our guide to basic requirements of a registered supplier (PDF, 34.8KB, 4 pages)
- notify the Forestry Commission within the specified period of changes to basic material
- notify the Forestry Commission within the specified period of the final results of testing basic material given 'conditional approval' in the tested category
- notify the Forestry Commission that an agreed production target for the propagation of clonal material has been reached
- provide documents, access to premises or reasonable facilities for copying

#### You must:

• register as a supplier to market FRM

- have an official certificate if you import FRM from a third country (non-EU country)
- comply with conditions under which a special licence has been granted

It's also an offence to obstruct an inspector in the course of their duties.

#### How to collect FRM

Make sure you register as a supplier before you begin to collect FRM.

#### You must:

- get permission from the owner of the collection site, or their agent, before starting work
- use the <u>Land Information Search</u> to find out if there are any designations or other sensitivities about the site that might need to be taken into account

You must provide the following details at least 14 days before collecting starts:

- your name, address and contact details
- place of collection including a grid reference of collection site
- species to be collected
- basic material reference in the National Register, or for source identified (SI) material
- region of provenance or seed zone download the seed zone map (PDF, 1.54MB, 1 page)

for more information

• proposed date and duration of collection

Download and submit <u>form FRM7</u> to notify the Forestry Commission that you intend to collect tree seed.

#### Market and supply FRM - master certificates

Master certificates set out information relevant to each specific collection of FRM, such as:

- quantity
- species
- provenance
- origin

Each certificate has a unique number to identify that collection — it must refer to a single entry in the national register of basic material — see above.

The master certificate number allows the Forestry Commission to trace the FRM from collection to planting. You must keep master certificates for a minimum period of 5 years.

#### How to get a master certificate

Complete one or more of the following forms according to your FRM:

- FRM4A seed sources and stands
- FRM4B seed orchards or parents of family
- FRM4C clones and clonal mixtures
- FRM4c Aspen A reproductive material derived from clones/clonal mixtures of Populus tremula L
- FRM4c Aspen B cuttings from recently selected clones, not already covered by a licence to market
- FRM4c Aspen C application for a licence to market a clonal mixture

#### When to apply

You must apply to the Forestry Commission for a master certificate within 9 months of collection or before marketing FRM, whichever is earlier.

#### Supplier's document — when you need to provide one

Each time you market seed or plants grown from material covered by a master certificate you must give a supplier's document to the buyer at the time of delivery.

See the FRM supplier's document and example — for multifunctional forestry.

The supplier's document gives the following information:

- all the information required by the master certificate
- quantity of FRM supplied
- name of the supplier
- master certificate number
- additional information as required

You must issue a supplier's document whenever you market material at any stage in the production of planting stock for a single collection, not just when the original collector markets material.

Whenever you market seed, a seed test certificate must also be copied to the recipient. Seed testing is carried out by approved seed testers.

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Read the
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<u>Forestry Commission seed testing guidelines</u> (PDF, 715KB, 55 pages)

#### and

further guidance on seed testing
(PDF, 42.6KB, 7 pages)

for more information.

#### Approved seed testers

These are the nurseries that are currently approved by the Forestry Commission to test seed. Download the list of <a href="Forestry Commission approved seed testers">Forestry Commission approved seed testers</a> (PDF, 9.37KB, 1 page)

#### Keep your documents

You must retain the following documents, or copies of them:

- notification to the Forestry Commission of the intention to collect FRM and a written record of the owner's consent to collection
- master certificates
- seed testing information
- supplier's labels or documents
- special licences for marketing issued by the Forestry Commission
- information supplied to the Forestry Commission relating to the movement of FRM to another EU member state
- plant passports

It's recommended that you keep master certificates until the FRM to which they relate no longer exists.

The Forestry Commission can require other documents to be kept by giving you notice.

You must make all documents — including books, maps, plans or photographs — available for inspection by the Forestry Commission and copies may be taken. This also applies to documents you hold in digital form.

#### What you must do to import and export FRM

You can import FRM from countries outside the EU, referred to as third countries, where their certification scheme is recognised in the EU as equivalent to the EU scheme. Before you do this, you must get approval from the Forestry Commission. You can do this using email (see contact details below), stating that you intend to import from a third country.

In exceptional circumstances of short supply, the EU may authorise the marketing of FRM that does not meet the standards of the directive. This is referred to as derogation.

You must notify the Forestry Commission if you export FRM to another EU member state. See section 3 of <a href="Issue 4">Issue 4</a>, July 2014 (PDF, 98.1KB, 3 pages)

for more detail.

#### **Voluntary scheme**

The Forestry Commission manages a voluntary scheme for the certification of native trees and shrubs (The Voluntary Scheme) that aren't controlled by the regulations. It was set up in 1999. You have to follow the same procedures to join the scheme as you would for those species controlled under the regulations.

The Voluntary Scheme has increased the number of native species included in the list of controlled species.

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The scheme uses the 24 native seed zones (as shown on seed zone map
(PDF, 1.54MB, 1 page)
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). The native seed zones are a non-statutory sub-division of the statutory regions of provenance (for native species only). The regions of provenance have been split into 24 smaller native seed zones based on information about climate and geological variation. These seed zones are also divided into 2 altitude bands, above and below 300 metres.

#### Sign up for FRM news

Any FRM registered supplier is added to the email distribution list of the FRM newsletters, unless you choose to opt out.

If you're not currently on the distribution list but would like to be included, you can send your request to: frm@forestry.gsi.gov.uk

#### Read past FRM newsletters

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Issue 5, December 2015
(PDF, 406KB, 4 pages)

Issue 4, July 2014
(PDF, 98.1KB, 3 pages)

Issue 3, October 2013
(PDF, 60.5KB, 4 pages)
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<u>Issue 2, June 2012</u> (PDF, 492KB, 5 pages)
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#### Appeal a Forestry Commission decision

You have the right to appeal against any Forestry Commission decisions, including:

- refusal to approve basic material
- withdrawal or amendment of approval of basic material
- time or production limits placed on the propagation of clones or clonal mixtures
- refusal to issue a master certificate
- refusal to register a supplier, or removal of a supplier's name from the register of suppliers
- refusal to grant a special licence
- refusal to approve seed testing practices as internationally acceptable techniques
- refusal to accept certain methodologies used in the application for approval of Basic Material in the Qualified and Tested categories

Contact the Forestry Commission for details on how to appeal as soon as you receive notification of the decision. You must send your appeal in writing. Procedures related to the Forestry Commission's decision must be suspended when you raise an appeal until you know the final outcome of the appeal.

#### **Contact the Forestry Commission**

For the national register of basic material and all matters related to basic material, register of suppliers, imports and exports, and queries on the FRM regulations, contact:

Forest Reproductive Material Manager

Forestry Commission

Silvan House

231 Corstorphine Road

Edinburgh

EH12 7AT

Phone: 0300 067 5041 Fax: 0131 314 6148

Email: frm@forestry.gsi.gov.uk

For seed collection notifications and queries, master certificates queries and applications and general FRM enquiries contact:

FRM Admin support

Forestry Commission

Silvan House

231 Corstorphine Road

Edinburgh

EH12 7AT

Phone: 0300 067 5129 Fax: 0131 314 6148

Email: <a href="mailto:frm@forestry.gsi.gov.uk">frm@forestry.gsi.gov.uk</a>

## <u>Corporate report: Business Impact</u> <u>Target - Non-Qualifying Regulatory</u> <u>Provisions summary list</u>

Under the Small Business, Enterprise and Employment Act 2015, the Forestry Commission, as a regulator, is required to publish a summary of Non-Qualifying Regulatory Provisions each year.

# Press release: Defence is important for Welsh prosperity, independent review concludes

Former Defence Minister Philip Dunne has today released a wide-ranging report

which highlights the integral role of defence to British prosperity.

- It says defence invests £945 million in Welsh industry
- Wales benefits from MOD expenditure of £300 per person each year
- Defence supports over 6,000 industry jobs

The review was commissioned by the Defence Secretary Gavin Williamson after he launched the Modernising Defence Programme (MDP) to strengthen the Armed Forces in the face of intensifying threats, alongside the Prime Minister and the Chancellor.

The independent review of defence's contribution to national economic and social value by Philip Dunne looks right across the Armed Forces and industry to provide an in-depth picture to inform proposals for reform into the MDP.

#### Defence Secretary Gavin Williamson said:

Philip Dunne's review shows how vital defence is, not only protecting us from global dangers and safeguarding our national prosperity, but also to our economy by creating thousands of specialist and highly-skilled jobs and creating billions in exports.

He paints a clear picture of how defence and defence industry reaches every corner of the UK and is central to employment in so many cities and towns.

He lays down some key challenges to consider as our Modernising Defence Programme continues to ensure defence is the best it can be in a post-Brexit Britain.

#### Secretary of State for Wales Alun Cairns said:

Today's review shows the valuable impact of the defence sector both to our security, but also to the Welsh economy, supporting thousands of jobs and millions of pounds of investment across the country.

Last month's Armed Forces Day in Llandudno was a proud display of Wales' military association, and I've witnessed first hand the incredible spirit of our Welsh Guards on the ground in Afghanistan. The UK Government is working hard to ensure that defence continues to play a crucial part in the fabric of Wales' communities and national economy.

The report also includes a number of recommendations for review, including: further research into the impact of significant procurements on national prosperity; building on the strong relationships with industry suppliers; and considering how the UK's world-leading institutions could be given greater

entrepreneurial freedoms.

Wales plays an important role in UK Defence providing over 3,000 regulars and reserves to the Armed Forces, supporting over 6,000 industry jobs and is renowned for its vast training areas which enable the British Army and RAF to perfect their skills to ensure they maintain their military edge over adversaries.

The country benefits from MOD expenditure of £300 per person each year and a huge investment in local industry and commerce of £945 million. The largest MOD industry group expenditure in the nation is with weapons and ammunition totalling £246 million. Key suppliers include Airbus, General Dynamics, GE Aviation, QinetiQ and Raytheon

Wales features some of the most important national defence infrastructure by creating future Army leaders at the Infantry Battle School in Brecon, securing the UK's reputation as a leading global air power with its fast jet pilot training at RAF Valley and of course, the pride of having the second of the Royal Navy's cutting-edge aircraft carriers named HMS Prince of Wales.

#### Defence Minister Guto Bebb said:

Wales has a proud and historic relationship with our Armed Forces which is clearly demonstrated in the Dunne Review. For centuries, the Welsh have supplied cutting-edge military hardware, world-leading training facilities and some of the finest men and women in our military. I want to see every single aspect of Wales' contribution to Defence expand and develop in the coming years to the benefit of our Armed Forces and our nation.

#### Philip Dunne said:

I am pleased to have been able to undertake this review and am grateful for the help of all those in and outside the Department who have contributed.

This is the first time for some years that an independent report has sought to look at the whole impact of Defence on the UK economy, its devolved nations and regions in England.

Defence has made a number of important steps in meeting its prosperity objective. It makes a major contribution to our economic well-being, with 500,000 people working directly and indirectly in Defence and over 25,500 apprentices developing skills. In several local communities Defence is one of the leading providers of high skilled jobs.

But there is more that can be done as Defence has to adapt to rapidly evolving technological threats, so too should it seize the opportunities to adapt and improve its own processes to help meet the challenges of the high-tech defence future.

I look forward to seeing how the MOD responds to this report and have confirmed to the Defence Secretary that I am willing to revisit in some months' time how the Department has considered and where it has decided to implement these ideas.

Defence makes a huge contribution across all regions of the UK whether as a major employer, a large investor or as a hub for local communities. Defence is the third largest landowner in the country with 220,000 hectares often benefiting remote and rural communities.

The report reveals that around 500,000 people support defence across the UK. It outlines that the UK's defence industry is one of the world's strongest with an annual turnover of £22 billion supporting 260,000 jobs, many of which are highly skilled and well-paid. Most importantly, he acknowledges that defence is a major contributor to the nation's skills and one of the largest employer of apprentices with over 25,500 currently enrolled.

Dunne also acknowledges that, in addition to the MOD budget of almost £37 billion, defence's direct contribution to GDP features over £7 billion of exports generated each year on average. Just recently a shipbuilding contract worth up to £20 billion was signed between BAE Systems and the Australian government for British-designed Type 26 frigates — the biggest Naval defence contract for a decade.

Defence's relationship as a customer and industrial partner with many high growth sectors in the economy generates more activity, particularly in the aerospace, space, cyber, and increasingly the knowledge economy and creative sectors.

Defence is also driving investment in British industry through the National Shipbuilding Strategy, which was launched last year to transform the UK maritime industry and boost the prosperity of regions, shippards and maritime supply chains across the country. The MOD is also set to launch a Combat Air Strategy to ensure Britain maintains a world-leading combat air capability.

The MOD will now consider the findings of Philip Dunne's report as work continues on the MDP.

#### **ENDS**