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### **What is Coillte?**

In the April 2006 Woodmark FSC (Forest Stewardship Council) eco-label recertification report it is referred to as a private company (Pr.2.1.1) limited by shares held by two ministers of executive govt – “this makes Coillte a State-owned company”. Pr.2.1.1 says that Coillte own 7% of all land in Ireland – “the perception is that land is owned by the people”.

Four points made, yet none clarify the question as to what Coillte is specifically. The only legally based answer is the first point – Coillte is a private company. Coillte are on record as denying they are a state company, in objecting to an FOI request,

reviewed by Ombudsman Emily O'Reilly. They say emphatically that - "*Coillte is not an extension of a Government department neither is it an agency, nor under the control of, any Government department... In this context, the lands owned by the company are, in law, private property and the transaction which is the subject of the request is a private law transaction between two entities neither of which is subject to the Freedom of Information Acts.*"

What is the nature of this so-called entity?

Ms. O'Reilly's review also states that "*Coillte's submission makes no mention whatsoever of the binding judgement of the European Court of Justice in which Coillte's view of its status as a private company was rejected. In Case C-339/00, Ireland v. Commission of the European Communities [2003] ECR I-11757, the Court (Fifth Chamber) held that, "as a public undertaking"*" Coillte was not able to receive grant-aid (as a private entity) under the EU afforestation programme.

Furthermore, in response to Parliamentary Question 569 of the 21<sup>st</sup> March 2006, as to "*the reason Coillte are refusing to answer questions put to it under FOI Act 1997, since the government is the only shareholder in Coillte*".

The Minister for Agriculture and Food, Mary Coughlin (one of the two shareholders in Coillte), responded "*Coillte is not included as a public body*". This denial of the EU Court of Justice ruling is a direct breach of FSC ecolabel certifier Principle 1 – that all parties adhere to local, national and international rules and treaties.

In the Tree Council of Ireland's events guide for National Tree Week, sponsored by Coillte and O2, Coillte describe themselves as a "*State Sponsored Body, which operates in forestry and related businesses on a commercial basis*".

Coillte Forestry and Land EU grants Historical Context:

In general the pressure of competing with Agricultural needs, led to a situation that ensured the new afforestation of fast growing exotic conifers occurred mostly on the poorest of land. When Independence was gained in 1922 the same UK forestry policy initiated by the Crown in 1906 when we had less than 1% forest cover was continued.

Farmers maintained a disdain for forestry as it was seen to be competing with their interests and need for land.

In the 1980's the European Union created an incentive scheme with EU funding, the Western Aid Package Scheme for impoverished rural areas to provide forestry investment on marginal lands to stimulate depressed rural economies. This was the trigger for the massive afforestation of peat bogs and other marginal lands mainly in the west of Ireland, focused on monocultures of Sitka spruce an exotic conifer. This was negotiated by Fianna Fail's Ray MacSharry as EU agricultural and rural development commissioner 1989 - 1993.

In 1992 the grant scheme was extended to all agricultural land in disadvantaged areas, this included every county and of course all state forest lands. The grants were also now available to part time farmers, retired farmers and farmers co-operatives and non-farmers, opening the door to speculators.

It is interesting to note the new semi state forestry company Coillte Teoranta, was also established in 1989, with a purely commercial remit to extract profit from the state forestry resource. Ray MacSharry resigned his EU Agriculture Commissioner role in 1993 and became chairman of Coillte in 1999.

Coillte had already been in pursuit of the grants and borrowed funds to purchase lands for afforestation, on the strength of ongoing grant aid, further alienating sections of the farming community against forestry.

<https://www.irishtimes.com/business/macsharry-to-join-coillte-as-chairman-1.152507>

In 2000 the EU demanded 8.25 million euros, 6 million punts at the time, returned from Coillte claiming they were never eligible for the grant aid in the first place as they were a public body not private.

<https://www.irishtimes.com/business/eu-seeking-6m-in-grants-back-from-coillte-1.284733>

To our knowledge Coillte has never repaid this money which gave them an unfair advantage over other timber producers, the subject of an EU complaint by the UK

timber producers organisation. We do know DAFM the department of agriculture paid back the funds, meaning the people paid for this debacle.