

Submitted to Future Grant Support for Forestry  
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Ministerial Foreword - Forestry in Scotland is a sector that we can be justly proud of.

## 1 - Introduction and Rationale for Providing Grant Support for Forestry

1. Do you agree that grant support for forestry should continue to be improved and developed as a discrete scheme within the overall package of land support?

Not sure

Please explain your answer in the text box.:

There are many public and private benefits from planting and managing trees. But these are different in different contexts - from urban trees to provide beauty and cooling through trees in fields on farms to support biodiversity, water management and animal welfare to commercial plantations providing raw materials for manufacture and construction. They are all trees - but the intervention logic and the policy context is different. 'Land support' doesn't quite capture this.

Given the outlook for the carbon market (including the Woodland Carbon Code) and the increasing global demand for timber in construction and other applications, it is hard to see the need for grant support for commercial plantations dominated by productive sitka spruce. There are good investment returns and generous tax breaks.

Government's main role is on the supply side, working with the industry to develop the workforce and encouraging use of timber in construction through procurement and planning policies. Additionally, environmental regulation should only consent afforestation and replanting in the right locations, with species mixes and management practices which enhance biodiversity while maintaining good enough production.

Broadleaf planting is less commercially viable and as shown by the recent Forestry Research paper cited in this consultation generates more modest (though still valuable) carbon sequestration benefits over the medium term. The wider benefits for biodiversity, recreation and landscape justify public support where the private return on investment is low.

Tree-planting and tree management on farms does require more active intervention, both in arable and livestock farms - to provide predator and wildlife habitats as well as to enhance landscapes, improve animal welfare and sequester carbon.

Regulation can help, with Tier 1 setting a modest floor for all landholdings (in areas where trees can grow) of a percentage of tree cover. Alongside a grant scheme, government should consider a more proactive partnership approach to woodland creation. For example, a combination of regional land use planning and whole farm planning could identify indicative areas for woodland creation and farmers/crofters could be directly offered help to plant the right trees.

This could be enabled either through a grant (with the advisory service doing the scheme design and the farmer/crofter doing the planting and management) or through a 50/100 year traceable where the government also does the planting and management (and where relevant sells or uses the carbon code credits). This potentially allows better woodland location and design, more consistent management and monitoring and a less complex process leading to greater uptake.

A further (primarily agricultural/biodiversity) measure is to support natural regeneration/colonisation through exclusion of stock and control of deer. This is not exactly forestry but has clear nature and climate benefits in many contexts.

Urban tree cover is disproportionately valuable in amenity terms and Nature Scot is perhaps best-placed to advise and support local authorities in this regard. Tree cover targets - as for example in London and Barcelona - are useful spurs to action.

So, overall, not sure if this is one discrete scheme of grant support or a range of joined-up approaches across different agencies

2. Are there any changes that would allow for better complementarity between the forestry and agriculture funding options?

Yes

Please explain your answer in the text box.:

Despite agroforestry being recommended in the Woodland Expansion Advisory Group report around 15 years ago, uptake is still minimal, with almost no use of the option in the 2014-2020 SRDP. The cultural mindset or 'farming or trees' is a key part of this.

Agroforestry is about farming better with trees more than it is about planting more trees on farmland - so conceptually and budget wise it should fit within an agriculture/climate and nature-friendly farming box. The practice will only become mainstream with a dedicated advisory resource, and as part of the advisory service reboot this could be managed by for example Scottish Woodland Trust and Soil Association. It's good to see agroforestry in the Tier 2 proposals.

More generally, others have commented on the challenge for small farmers/crofters in securing grants and the higher relative costs of small schemes. The proactive approach outlined above is one option for addressing that. Support for co-operation among farmers and crofters should also get funding (under Tier 4 of the new scheme) - whether that's submitting a joint application, managing deer, joining forces for woodprocessing equipment - for example to replace straw with wood chip or to produce biochar, packaging small schemes for the woodland carbon code, supporting a forestry apprentice across a number of businesses, or knowledge exchange

Finally, riparian planting has particular value and should be encouraged both through the Tier 1/Tier 2 requirements and through grants under Tier 3

## 2 - Forests Delivering for Scotland's Climate Change Plan

3. How can the support package for forestry evolve to help tackle the climate emergency, to achieve net zero, and to ensure that our woodlands and forests are resilient to the future climate?

Please explain your answer in the text box.:

Public funding needs a robust intervention logic. As stated above, it seems likely that (no doubt despite industry protestations) the medium-term market for timber as global demand grows with a wider variety of uses, combined with generous tax provisions and income from the carbon market are sufficient drivers for commercial plantations to expand in Scotland without grant aid.

Government's role is more on regulation (permitting afforestation in the right places and setting minimum standards), supply side measures like skills, procurement and planning guidelines on the use of timber in buildings, ensuring the nursery sector keeps up with demand (VF may have a role here). Government also should continue to provide surveillance and early warning services regarding pests and diseases but private forestry managers must still carry, mitigate and insure against risk.

The carbon sequestration benefits of forestry expansion are a welcome co-benefit.

Government's support package should focus on schemes which don't pay for themselves in financial terms, essentially paying for the social and environmental services provided.

This could be organised in practice as a single grant scheme, with the intervention rate ranging from 0-100% - or it might be simpler to exclude commercial schemes with a high IRR from the scheme.

Restoring peatland should have an equal or greater priority than woodland creation from a net zero perspective. Again, private money can be mobilised through the Peatland Code, and regulations under the CAP replacement scheme could drive remedial action - but significant government investment will still be needed to restore peatlands at the scale and pace required.

As stated above, it's worth considering a more proactive approach where government has a plan for what sort of trees would be beneficial where and then makes an offer to landowners. This could speed up high quality woodland creation, including building in resilience through the way these schemes are designed and managed.

4. Private investment through natural capital and carbon schemes can make a valuable contribution to climate change. Do you agree that the grant support mechanism should have more flexibility to maximise the opportunities to blend private and public finance to support woodland creation,

Yes

Please explain your answer in the text box.:

As stated above, many commercial schemes are viable with 100% private finance. The Woodland Carbon code is helpful, as is the forthcoming Hedgerow Carbon Code.

However, there is a recognised challenge (globally) to package a number of small woodland creation projects into an investable proposition. Scottish Government and its agencies have a key role in supporting local and landscape level co-operation to create ambitious woodland projects

5. How could the current funding package be improved to stimulate woodland expansion and better management across a wide range of woodland types, including native and productive woodlands?

Please explain your answer in the text box.:

6. Do you agree that it should be a requirement of grant support that woodlands are managed to ensure that they become more resilient to the impacts of climate change and pests and disease?

Not Answered

How can the grant scheme support this?:

## 3 - Integrating Woodlands on Farms and Crofts

7. Which of the following measures would help reduce the barriers for crofters and farmers wanting to include woodland as part of their farming business? Please select all that apply.

Better integration of support for woodland creation with farm support mechanisms, Knowing where to get reliable advice, Clearer guidance on grant options, Flexibility within options, Intervention level, Support with cashflow, Information on how current land use could continue with trees integrated throughout

Are there others not listed above?:

8. Establishing small woodlands can have higher costs. What specific mechanisms would better support small scale woodlands and woodland ownership?

Please explain your answer in the text box.:

Different intervention rates  
Deer control

#### 4 - Forests Delivering for People and Communities

9. How can forestry grants better support an increase in easily accessible, sustainably managed woodlands in urban and peri-urban areas?

Please explain your answer in the text box.:

Local authorities are best placed to develop and support accessible and sustainably managed woodlands in urban and peri-urban areas, in partnership with private landowners, other public landowners such as universities, NHS, Scottish Water etc, community organisations and national NGOs. Typically they will have woodland management and development plans along with plans for climate change and biodiversity. Forestry grants, together with other funding eg from Nature Scot and from the local authority's own resources should be provided where needed to help deliver these plans.

10. How can grant support for forestry better enable rural communities to realise greater benefits from woodland to support community wealth building?

Please explain your answer in the text box.:

With large-scale proposals there should be an option for communities to own/manage/derive a revenue from a percentage of the development (like owning one of the wind turbines). This could be particularly relevant in a mixed development, where communities could develop recreation, woodland crofts, non-timber forest products, managed grazing etc on part of the development in partnership with the managing agent.

Asset transfers to communities of publicly-owned forests also supports community wealth-building.

11. How can the forest regulatory and grant processes evolve to provide greater opportunities for communities to be involved in the development of forestry proposals?

Please explain your answer in the text box.:

There's a sense currently in many communities that they have no say about large-scale afforestation projects. Similarly, local authorities are marginalised in the approvals process. Afforestation at scale changes landscapes and wildlife effectively forever. It's not good enough to leave the process simply with the people standing to gain and the agency with planting targets. Projects over a certain scale should be regarded as development and aligned with the local authority planning process, requiring Council approval and providing democratic routes for community engagement.

12. How can the forestry regulatory and grant processes evolve to ensure that there is greater transparency about proposals and the decisions that have been made on them?

Please explain your answer in the text box.:

As above - greater alignment with the mainstream development process. A more proactive approach, with indicative land use changes discussed and published as part of regional land use strategies - thus taking into account cumulative impacts in a particular landscape or catchment. Powers for the local authority to call for an EIA - currently it's not clear what the threshold is or how that decision is made. Requirement for large-scale developers to evidence community consultation which meets the national community engagement standards.

13. Forestry grants have been used to stimulate rural forestry businesses by providing support with capital costs. Do you agree that this has been an effective measure to stimulate rural business?

Not sure

a. How could this approach be used to support further forestry businesses?:

b. How could this approach be used to support further skills development?:

14. How could the FGS processes and rules be developed to encourage more companies and organisations to provide training positions within the forestry sector?

Please explain your answer in the text box.:

As above - co-operation between smaller scale woodland owners could support an apprentice. Equally more involvement by government in directly leasing land and managing woodlands directly could enhance training within Forestry and Land Scotland. More generally as the vertical integration of construction, milling and timber production continues we can expect companies to invest in training

positions. Co-ordination would be through sector skills councils rather than through FGS - though again a condition of FGS would be fair work and an investment in training.

## 5 - Forests Delivering for Biodiversity and the Environment

15. The primary purpose of FGS is to encourage forestry expansion and sustainable forest management, of which a key benefit is the realisation of environmental benefits. How can future grant support better help to address biodiversity loss in Scotland including the regeneration and expansion of native woodlands?

Please explain your answer in the text box.:

Higher intervention rate for schemes which can deliver more for biodiversity  
Minimum standards for species diversity and nature-friendly establishment and management in commercial plantations, including EIA and a requirement for biodiversity net gain (recognising that's complex as biodiversity changes over time even in single species stands and that some species gain while others lose)

16. Herbivore browsing and damage can have a significant impact on biodiversity loss and restrict regeneration. How could forestry grant support mechanisms evolve to ensure effective management of deer populations at:

Landscape scale?:

Make low deer populations a condition of FGS, while supporting a national programme of culling and venison harvest

Small scale mixed land use?:

as above

If you wish to make any other relevant comments, please do so in the text box below.

Please add your comments here.:

Nourish Scotland welcomes this review and the willingness to make changes to the scheme to reflect the changing environment. Nourish Scotland supports the response by Scottish Environment Link, which provides greater detail on many of these questions.

## About you

What is your name?

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Are you responding as an individual or an organisation?

Organisation

What is your organisation?

Organisation:  
Nourish Scotland

Scottish Forestry would like your permission to publish your response. Please indicate your publishing preference:

Publish response with name

We may share your response internally with other Scottish Forestry policy teams who may be addressing the issues you discuss. They may wish to contact you again in the future, but we require your permission to do so. Are you content for Scottish Forestry to contact you again in relation to this consultation exercise?

Yes

I confirm that I have read the privacy policy and consent to the data I provide being used as set out in the policy.

I consent