



Scottish  
Forestry  
Coilltearachd  
na h-Alba

# Future Grant Support for Forestry

Consultation Paper  
February 2023

Scottish Forestry is the Scottish Government agency responsible for forestry policy, support and regulation

Is e Coilltearachd na h-Alba a' bhuidheann-ghnìomha aig Riaghaltas na h-Alba a tha an urra ri poileasaidh, taic agus riaghladh do choilltearachd

 Scottish Government  
Riaghaltas na h-Alba



Scottish  
Forestry  
Coilltearachd  
na h-Alba

# Future Grant Support for Forestry

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### Responding to this consultation

We are inviting responses to this consultation by 17 May 2023.

Please respond to this consultation using the Scottish Forestry's consultation hub, Citizen Space (Scottish Forestry - Citizen Space (<https://scottishforestry.citizenspace.com>)).

Access and respond to this consultation online at <https://scottishforestry.citizenspace.com>.

You can save and return to your responses while the consultation is still open. Please ensure that consultation responses are submitted before the closing date of 17 May 2023.

If you are unable to respond using our consultation hub, please complete the Respondent Information Form and send to:

FGS Consultation  
Scottish Forestry  
Silvan House  
231 Corstorphine Road  
Edinburgh, EH12 7AT

You can also email the Respondent Information Form to [grantconsultation@forestry.gov.scot](mailto:grantconsultation@forestry.gov.scot)

### Handling your response

If you respond using the consultation hub, you will be directed to the About You page before submitting your response. Please indicate how you wish your response to be handled and, in particular, whether you are content for your response to be published. If you ask for your response not to be published, we will regard it as confidential, and we will treat it accordingly.

All respondents should be aware that Scottish Forestry is subject to the provisions of the Freedom of Information (Scotland) Act 2002 and would therefore have to consider any request made to it under the Act for information relating to responses made to this consultation exercise.

If you are unable to respond via Citizen Space, please complete and return the Respondent Information Form included in this document.

To find out how we handle your personal data, please see our privacy policy:

[Privacy – Scottish Forestry \(www.forestry.gov.scot\)](http://www.forestry.gov.scot)

### Next steps in the process

Following the closing date, all responses will be analysed and considered along with any other available evidence submitted to us. Where respondents have given permission for their response to be made public, and after we have checked that they contain no potentially defamatory material, responses will be made available to the public at [Scottish Forestry - Citizen Space \(https://scottishforestry.citizenspace.com\)](https://scottishforestry.citizenspace.com). An analysis report will also be made available.

## Comments and complaints

If you have any comments about how this consultation exercise has been conducted, please send them to the contact address above or at [grantconsultation@forestry.gov.scot](mailto:grantconsultation@forestry.gov.scot)

## Scottish Forestry consultation process

Consultation is an essential part of the policymaking process. It gives us the opportunity to consider your opinion and expertise on a proposed area of work.

You can find all our consultations online at <https://scottishforestry.citizenspace.com>. Each consultation details the issues under consideration, as well as a way for you to give us your views either online, by email or by post.

Responses will be analysed and used as part of the decision-making process, along with a range of other information and evidence. We will publish a report of this analysis for every consultation. Depending on the nature of the consultation exercise the responses received may:

- indicate the need for policy development or review
- inform the development of a particular policy
- help decisions to be made between alternative policy proposals
- be used to finalise legislation before it is implemented

While details of particular circumstances described in a response to a consultation exercise may usefully inform the policy process, consultation exercises cannot address individual concerns and comments, which should be directed to the relevant public body.

Table of acronyms used in this consultation paper:

CAP	Common Agriculture Policy
EIA	Environmental Impact Assessment
EU	European Union
FGS	Forestry Grant Scheme
Ha	Hectares
SF	Scottish Forestry
SFM	Sustainable Forest Management
SRDP	Scottish Rural Development Programme
UKFS	United Kingdom Forestry Standard
WIAT	Woodlands In and Around Towns
WIG	Woodland Improvement Grant

## Future Grant Support for Forestry

### Ministerial Foreward

Forestry in Scotland is a sector that we can be justly proud of.

I am delighted to be launching this consultation to help shape future grant support for forestry from 2025 onwards. Your views, insights and experience will be invaluable in helping evolve public support for forestry to ensure it delivers best value for money in achieving the Scottish Government's outcomes, as set out in the [Programme for Government](#) and [Bute House Agreement](#), including our ambitious commitment to achieve net zero by 2045 through a just transition.

Forestry has a significant role in confronting not just the twin global climate and biodiversity crises, but also the increase in global demand for timber and wood fibre that we face today and into the future. Tackling these global challenges through woodland expansion rightly has strong cross-party support in the Scottish Parliament.

Our forests, woods and trees provide multiple benefits for the people, environment and economy of Scotland. Woodlands are natural carbon sinks, sequestering and storing carbon equivalent to 14% of all Scotland's gross greenhouse gas emissions, while at the same time producing enough softwood timber every year to fill a train 1000 miles long. This makes an important contribution to our rural economy through the wood processing sectors, as does the wider role woodlands play in underpinning tourism and community led activities. Creating new woodland and improving the management of existing woods creates more opportunity for people to enjoy the countryside together with the health and wellbeing benefits that this brings. Scotland's woods and forests are rich in their biodiversity, particularly our native woods and iconic rainforests. Woodland creation and restoration helps protect and enhance this rich biodiversity, strengthens nature networks, and supports precious species such as red squirrel and capercaillie.

Scotland is already punching above its weight when it comes to woodland creation, with nearly 80% of all recent new woodlands in the UK created right here in Scotland. Since the full devolution of forestry in 2019 and 2022, we have created some 13,000 hectares of native woodland as part of an overall woodland creation total of more than 32,000 hectares, which amounts to over 64 million trees. Forests cover just 19% of our land area, compared to a European average of 46%. Our ambitious target to create 18,000 ha of new woodland each year will help us increase forest cover to 21%.

Key to achieving these targets is the Forestry Grants Scheme, which distributes public funding to support the private sector which creates 95% of new woodland creation in Scotland. This highly successful scheme also supports the management of our existing woods and the restoration of our native woods, including Scotland's iconic rainforests.

In expanding our forests, we must not lose sight of the need to balance land use demands and ensure we get the right tree in the right place. The Scottish Government's position is very much that the focus of woodland expansion should be away from prime agricultural land. Farming and forestry can and do already work together and we can do more to help integrate woodland into farmland for the benefit of both farming businesses and the environment.

As we increase our forest and woodland resource and attract greater levels of private investment, we must also ensure that it is carried out in a responsible way in-keeping with our Interim Principles for Responsible Investment in Natural Capital, supports a just transition, and vitally, delivers benefit for our communities.

Since its introduction in 2015, the Forestry Grant Scheme has supported 4,500 projects and created 68,000 hectares of new woodland – an area equivalent to the size of East Lothian. The Scottish Government wants to build on that success and continue to evolve and enhance the package of support to ensure that it continues to deliver for the people of Scotland and the forestry sector. The forthcoming Scottish Agricultural Bill will provide the legislative basis for future grant support for forestry, ensuring continuity of grant support for woodland creation and providing scope for further enhancements and changes.

Through this consultation exercise, we aim to benefit from the insights and experience of landowners, land managers and the people of Scotland in shaping the further development of grant support for forestry into the future.

### **Màiri McAllan - Minister for Environment and Land Reform**



## 1 - Introduction and rationale for providing grant support for forestry

This consultation exercise seeks to draw on the views, insights and experience of landowners, land managers and the people of Scotland in the further development of grant support for forestry post-2025 and into the future. It will help shape the implementation of the broad powers that will be provided through the Agricultural Bill when it replaces the current legislative framework provided by the Scotland Rural Development Programme.

The consultation is focused specifically on the development of grant support rather than any of the broader range of mechanisms that support delivery of Scottish Government's outcomes and the Scottish Forestry Strategy, such as policy and regulatory measures.

The rationale for Scottish Government intervention in woodland creation is to provide a range of economic, social and environmental benefits for the people of Scotland which would not otherwise be delivered. Public support helps land managers to overcome the high capital costs associated with the creation of new woodlands, to offset the long timescales required for trees to grow and mature, whilst also requiring the delivery of social and environmental benefits which do not necessarily generate income.

Government intervention has taken 2 main forms since the Forestry Commission was established in 1919:

- Through direct land acquisition for woodland creation (Forestry and Land Scotland currently delivers this)
- Through incentivising and regulating landowner to plant and manage woodlands (specifically through grants and tax incentives)

The multi-purpose nature of forestry has continued to underpin forestry policy in the 21st century, with some major areas of development, for example:

- The role of trees in climate change mitigation and adaptation has given forestry a more central role in wider Government policy.
- Woodlands and forests are well placed to protect and enhance our natural capital and biodiversity at a time when there is a growing realisation that nature must be protected and restored and has a critical role to play in underpinning the economy.
- Woodlands have demonstrated a key role in community health and wellbeing.

Following full devolution of forestry policy to the Scottish Government, [The Forestry and Land Management \(Scotland\) Act 2018](#) was passed and two discrete government agencies were established. Scottish Forestry is the agency responsible for policy regarding, regulation of, and support for forestry in Scotland.

The regulation of forestry is through the Forestry and Land Management (Scotland) Act 2018 and [The Forestry \(Environmental Impact Assessment\) \(Scotland\) Regulations 2017](#). As the technical standard for the practice of forestry, the [UK Forestry Standard](#) provides the overarching framework and guidance within which woodland owners and managers must operate to balance economic, social and environmental benefit.

After the UK's withdrawal from the EU on 31st January 2020, which Scotland did not support, there was a requirement to provide stability and security to land managers. The Agriculture (Retained EU Law and Data) (Scotland) Act 2020 was enacted to allow Scottish Ministers to ensure that the EU Common Agriculture Policy (CAP) payments and schemes would continue to provide a period of stability and simplicity after EU exit. It is under this provision that the current scheme still operates. Forestry,

agriculture and rural land management are intrinsically linked, and it is for this reason that the package of measures to support forestry are delivered through the Scottish Rural Development Programme (SRDP). In order to provide continuity to applicants, farmers and land managers wanting to plant trees, the powers Ministers rely on to run the Forestry Grant Scheme will in future come from the Scottish Agriculture Bill, which will be considered and scrutinised by the Scottish Parliament during 2023. This will allow the current Forestry Grant Scheme to remain open for applications and provide scope for further improvements and changes.

[Scotland's Forestry Strategy \(2019-2029\)](#) identifies climate change as one of the key strategic drivers and sets out a vision where by 2070:

*“Scotland's forests and woodlands will be a more resilient adaptable resource, with greater natural capital value, which supports a strong economy, a thriving environment, and healthy and flourishing communities”.*

One of the 6 priority areas for action identified in the Strategy is to: *increase the adaptability and resilience of forests and woodlands*, and the second [Scotland's Forestry Strategy Implementation Plan \(2022-2025\)](#) reaffirms that the resilience of Scotland's forests remains a key strategic driver. Increasing the biodiversity and health of all our woodland, but especially semi natural and ancient woodland, is essential to make best use of the land. Trees and woodlands are integrated into rural and urban landscapes, providing a connection with nature for many people and providing key benefits for people's mental and physical health.

Forests are also an important component in the rural economy for many areas in Scotland, providing rural jobs and supporting the Scottish Government's economic strategy. The UK is the second largest net importer of timber and timber products in the world and imports around 80% of our timber requirements annually, further emphasising the need to increase our domestic timber capacity.

The current [Forestry Grant Scheme \(FGS\)](#) forms part of a package of support under the Scottish Rural Development Programme (SRDP) 2014-2020 that seeks to encourage woodland creation and sustainable forest management. Following the introduction of this scheme, there have been a number of amendments made to better reflect the priorities of the Scottish Government and wider society, and to address inconsistencies. Feedback from this consultation will inform the further evolution and enhancement of the scheme beyond 2025. With the increasing pressures on public sector finance, the FGS must continue to demonstrate value for money for the activities it supports.

To date, the FGS has been a tremendous success story, funding over 5,200 projects and creating over 68,000 hectares of new woodland, supporting the forestry sector whilst also strengthening communities and providing a boost for nature. In addition to supporting woodland creation, the scheme has also given support to existing woodland owners, which provides help for landowners to manage their woods sustainably and to improve the condition of native woodlands and designated sites and has provided support for plant health compliance. In addition, the FGS has also supported rural business development through the award of harvesting and processing grants. The Scottish Government wants the successful Forestry Grant Scheme to continue to evolve by building on the current approach to ensure it delivers best value for money in achieving the Scottish Government's outcomes.

Scotland has ambitious targets to expand its forests, creating a further 18,000 hectares of woodland per annum by 2024/45 to help tackle the twin crises of climate change and biodiversity loss. Through this consultation exercise, we are seeking to obtain stakeholder insight to ensure that the government support for forestry and woodland creation effectively delivers for climate, land management, people and nature. The consultation is restricted to grant incentives and does not consider other fiscal measures that could be used to stimulate woodland creation such as taxation which is a reserved matter.

### Question 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?

- Yes
- No
- Not Sure

Please explain your answer in the text box.

### Question 2

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

- Yes
- No
- Not Sure

Please explain your answer in the text box.

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

The [forestry sector in Scotland contributes around £1 billion annually to the Scottish economy](#), employing 25,000 full time workers throughout Scotland. Forestry supports a diverse range of employment opportunities and creates valuable rural jobs across Scotland.

The Scottish Government is committed to delivering positive action to tackle climate change as set out in the [Climate Change Plan](#). The [Climate Change \(Emissions Reduction Targets\) \(Scotland\) Act 2019](#) created an obligation to reach net zero across the economy as a whole by 2045. Woodlands and forests sequester and store carbon and are an essential component of the strategy to achieve that goal. Trees remove carbon dioxide from the atmosphere and store the carbon in solid form as wood and soil biomass. This continues to build up in woodland ecosystems. In more productive forests some of the carbon is transferred into wood products which can continue to store carbon for long periods. Wood products can also be used as an alternative to other materials that release greenhouse gases in their production, such as concrete and plastics. Woody biomass can also be used directly as a source of energy to replace fossil fuels.

Different woodland types sequester carbon at different rates and store different amounts, as demonstrated in a recent study ([Quantifying the sustainable forestry carbon cycle](#)) by Forest Research. Carbon sequestration is linked with growth rates, species, soil type, management of the woodland and the end use of the timber. Climate change will also impact on the suitability of certain species to be grown in different parts of the country.

With 19% of Scotland having woodland cover, responsible management of this valuable resource is essential if those woodlands are to deliver benefits to society, the economy and nature. Whilst the significant majority of the woodlands in Scotland are actively managed for specific objectives, there remain some under-managed woodlands in the landscape. It is important to understand if there are barriers that exist which prevent landowners from actively managing those woodlands, so that specific support measures can be developed to unlock the potential of those woodlands. **Sustainable Forest Management (SFM)** aims to create benefits and outcomes that are socially just, ecologically sound and economically viable – the three pillars of sustainability.

Ensuring that forests and woodlands are resilient to climate change and responsibly managed for future generations to enjoy forms the basis for government support to manage existing forests and woods.

The FGS has been an important mechanism for the Scottish Government to deliver on [Scotland's Climate Change Plan](#). A range of woodland types have been established through the FGS, including a substantial component of new native woodlands which make a valuable contribution to the biodiversity health of the nation. The Bute Agreement set a minimum target of 4000 hectares of new native woodland per annum, which has been delivered to date, and going forward it will be important that we continue to build on this success. The FGS also supports the management of existing native woodlands to ensure that they continue to thrive and regenerate, and in doing so, continue to contribute to nature and the wellbeing of the nation.

A number of emerging new markets (e.g., in woodland and peatland carbon credits) have resulted in additional private finance being invested in natural capital. These new markets create a tremendous opportunity to help the Scottish Government deliver on its woodland expansion targets. Given that 95% of new woodland creation is delivered by the private sector with support from the FGS, care and flexibility are needed to ensure that public grants are targeted to support schemes that would not be viable without this stimulus. The current FGS was developed prior to the emergence of those new markets and as such, is not sufficiently flexible to respond to different models for **blending public support with private finance**. In a maturing market it is important that the Scottish Government

periodically takes stock to determine if we are incentivising the best value for public money in delivering public outcomes.

Given the growing significance of the carbon market, the Scottish Government is keen to hear the views of stakeholders on potential delivery mechanisms that will provide this flexibility and offer best value for the public purse.

Climate change will bring long term temperature change and an increase in the frequency of extreme weather events. We need to ensure that Scotland's forests are **resilient** in the face of these changes if they are to continue to provide substantial benefits and ecosystem services, by designing forests that are better able to withstand:

- Temperature increases
- Pests and diseases
- Frost
- Wildfire
- Flooding and waterlogging
- Windthrow
- Drought

All forests and woodlands that are planted today will experience climate change, so building resilience in our woodlands and forests is a key consideration in relation to grant support. The Scottish Government will expect land managers to ensure that forest resilience is a key component of the silvicultural decisions made in existing woodland management and in the design of new woodlands. This will include adaptation measures, such as increasing the diversity of our woodland and forest resource, and also measures that will enable our woodlands to recover from extreme events such as high temperatures, windblow or a pest and disease outbreak. The existing FGS has options that support creation of a wide range of woodland types to help ensure that resilience is a key component of all new woodland proposals. Managers of existing woodlands will also be required to ensure that forests evolve through long term forest planning to make them more resilient and mitigate the impact of climate change.

Protecting forest and woodlands from pests and diseases is an important regulatory task for Scottish Forestry. The actions required to address a plant health threat will vary depending on the lifecycle and impact of the specific pathogen. At present the main mechanisms used are:

- through controlling the movement of plants and plant material including the import of plants
- control notices requiring appropriate biosecurity measures and the felling/killing/destruction of suspect plant material

There are a range of pests and diseases that threaten Scotland's trees and forests, and control orders have been used. In some cases, compliance with the control notices can generate a net cost to the landowner and in some situations a limited amount of grant support has been made available.

As part of this consultation exercise, we are keen to understand how forestry support mechanisms can better deliver measures to mitigate climate change in Scotland.

### Question 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.

### Question 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, and if so, how might this be achieved?

- Yes
- No
- Not Sure

Please explain your answer in the text box.

### Question 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.

### Question 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?

- Yes
- No
- Not Sure

How can the grant scheme support this?

### 3 - Integrating woodlands on farms and crofts

Scotland has a finite land resource, so planting the right tree in the right place is essential if the Scottish Government is to achieve its net zero targets. [Scotland's Forestry Strategy](#) identifies that Scotland has around 19% woodland cover and that whilst that is the highest of the UK nations, it is still well below the EU average of 46%. If Scotland is to expand its woodland cover, this must be in balance with the requirements of other land uses and sustainable food production.

For the Scottish Government to achieve its woodland creation targets, there will need to be a change in management objectives on some of Scotland's land. There is established guidance to help land managers identify how best to pursue woodland creation in balance with other land uses. Forestry and farming should not be viewed in isolation: integrating woodland within the farming and crofting landscape can bring many benefits to the farming business and will be required moving forward.

Recognising the benefits that woodlands can bring to a farming enterprise, including shelter, flood mitigation and diversity of income, many farmers have already taken steps to plant trees. Woodlands approved under the [FGS Small Farm woodland](#) option since 2015 can now be utilised as Ecological Focus Areas to support farmers' Greening payments. To help the Scottish Government encourage more farmers to establish woodlands on their farms, we want to hear from farmers and crofters about what barriers they perceive are preventing them from incorporating woodland into the farming or crofting business.

Work is progressing to develop a new Scottish Agriculture Bill to deliver the Scottish Government's vision for agriculture in Scotland. The Scottish Government recently issued [a statement on Sustainable and Regenerative Farming](#) which will influence the direction of farming into the future.

The FGS is a discrete scheme within the package of rural payments alongside farming support, so farmers and crofters will be familiar with the processes required to apply for and access grants. However, they may be less familiar with the specific scheme rules linked with the FGS. It is important to hear views from the agriculture sector to help guide the development and evolution of the grant scheme so that it can reflect the needs of farmers and crofters as well as those in the forestry industry.

### Question 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	<input type="checkbox"/>
Knowing where to get reliable advice	<input type="checkbox"/>
Clearer guidance on grant options	<input type="checkbox"/>
Flexibility within options	<input type="checkbox"/>
Intervention level	<input type="checkbox"/>
Support with cashflow	<input type="checkbox"/>
Information on how current land use could continue with trees integrated throughout	<input type="checkbox"/>

Are there others not listed above?

### Question 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.

## 4 - Forests delivering for people and communities

As we work towards delivering net zero, the Scottish Government is committed to ensuring that there is a just transition and ultimately a fairer, greener future for all. This means that the way in which we use our land must be for the benefit of all, including future generations.

Increasing woodland cover in both rural and urban areas is a critical part of the transformation required to address the climate and biodiversity crises, but it is also important for the health and wellbeing of our people and communities, the majority of whom live in our towns and cities. The current FGS makes provisions – via the Woods In and Around Towns (WIAT) option – to support operations that will contribute to the sustainable management of urban and rural woodlands and provide a range of public benefits. This includes bringing neglected woodland into management, developing opportunities to use and enjoy existing and newly created woodland, and enhancing woodland sites supported under previous programmes. We would welcome your views on how we can improve and evolve these support mechanisms to help increase easily accessible, sustainably managed woodlands in urban and peri-urban areas, as part of a just transition.

The Scottish [Government's Interim Principles for Responsible Investment in Natural Capital](#) state that “Investment in and use of Scotland’s natural capital should create benefits that are shared between public, private and community interests, contributing to a just transition.” In the context of forestry, this means that as private investment in woodland creation increases, it should be done in a way that shows integrity and is values-led, restoring nature, supporting a just transition and benefiting communities.

The recently published updated [Scottish Government Land Rights and Responsibilities Statement](#) articulates our vision for the ownership, use and management of land, setting out how we see the balance between the rights of land owners, managers, local communities and society at large. Its vision is of:

*“A Scotland with a strong and dynamic relationship between its land and people, where all land contributes to a modern, sustainable and successful country, supports a just transition to net zero, and where rights and responsibilities in relation to land and its natural capital are fully recognised and fulfilled.”*

This vision is underpinned by seven principles, which include the following:

- There should be meaningful collaboration and community engagement in decisions about land.
- Land ownership, management and use should deliver a wide range of social, environmental, economic and cultural benefits.

It is important, therefore, for the Scottish Government to consider how it can ensure that future forestry grants promote these principles and further these ambitions:

- empowering communities and improving social justice
- supporting a just transition to a net zero economy
- stimulating the delivery of more benefits for local communities
- supporting community wealth building (an internationally recognised approach to economic development) as a way to achieve a wellbeing economy

We welcome your views on how this might work within the grant support mechanisms.

Landowners or their agents are currently required to engage proactively with those who may be affected by the forestry proposal early in the process while they are developing their plans. This informal consultation provides communities with an opportunity to express their views, ideas and concerns so that

they can be considered. For applicants, it provides valuable information to help shape the development of the woodland creation proposals, felling licence applications or forest plans, and provides an excellent opportunity for local people to become engaged. Scottish Forestry also holds a formal public consultation on the majority of schemes, which provides a further opportunity for statutory bodies and members of the public to comment on the forestry proposal. Schemes are placed on the [public register](#) for a period of 28 days. When this is complete, Scottish Forestry reviews the responses with the applicant, discusses any changes that may be required and then makes a decision based on the information available as to whether to approve a proposal, approve it subject to required changes, or reject it.

The forestry industry in Scotland employs approximately 25,000 people in a broad range of roles and as our area of woodland increases, this will generate additional employment opportunities. Given the aging workforce, studies have estimated that the sector will need to attract around 2,250 new staff each year across all levels to keep pace with the sector demand, but currently formal training places are limited. Through this consultation exercise, we are keen to hear from stakeholders about how the FGS could be used to encourage more training opportunities, business and skills development, as well as new entrants into the forestry sector.

The FGS currently has provisions to support local economic development and stimulate rural forestry businesses by helping with the purchase of specialist equipment that will:

- Help bring woodlands into management
- Promote economic and sustainable production of timber and timber products through processing
- Add value to local economies on a non-industrial scale
- Provide support to facilitate and support diversification and assist within the creation of new and small enterprise related employment
- Support the nursery sector to meet the increasing demand for seedlings

Our revised Land Rights and Responsibilities Statement published last September articulates our vision for the ownership, use and management of land, setting out how we see the balance between the rights of landowners, managers, local communities and society at large. The way we own, use and manage our forests and woodlands has a role to play in supporting this Statement, as well as a sustainable future for the benefit of all the people of Scotland. We are currently analysing responses to last summer's consultation of the "Land Reform in a net zero Nation" Bill which we will introduce for Parliamentary examination by the end of 2023. This will help ensure we make best use of our land to benefit our economy, environment, wellbeing and a just transition to net zero.

### Question 9

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

Please explain your answer in the text box.

### Question 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.

### Question 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.

### Question 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.

### Question 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?

- Yes
- No
- 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?

### Question 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.

## 5 - Forests delivering for biodiversity and the environment

Globally, we are faced with a twin crisis of climate change and biodiversity loss. Protecting and restoring our biodiversity is key a priority for the Scottish Government. Scotland's newly published [Biodiversity Strategy](#) identifies a number of [key pressures on biodiversity](#) affecting Scotland and sets out priority actions to address them.

Expansion and effective management of our forests and woodlands will increase their contribution to ecological resilience in the face of climate change, providing enhanced habitats, species and ecological processes, and in doing so will provide for improved nature networks as part of wider dynamic landscapes.

The establishment and management of woodlands and forests has a positive impact on nature and the wider environment when the design, location choice and management prescriptions have regard to the wider environment and ecological issues, and include action that will help address biodiversity loss, restoration of nature and improved resilience to climate change. Many forestry proposals are screened under the [Forestry EIA regulations](#) to determine the suitability of the design and to ensure that the applicant has evaluated the positive, and mitigated any negative, impacts that their proposals may have on the environment. All proposals also need to meet the [UK Forestry Standard guidelines](#) which include specific actions to protect and enhance biodiversity and the wider environment.

The FGS has a number of different options to support the establishment of a variety of woodland types and a range of measures to support sustainable forest management, create multiple benefits, and reverse biodiversity loss. It also supports the control and management of invasive non-native species (INNS) which can impede efforts to restore our important native habitats, such as Scotland's rainforests, and can threaten woodland health and native species.

The FGS also provides enhanced grant rates (e.g., native woodland creation in the uplands, the Woodlands For Water enhancement) for woodland creation where the woodland will deliver multiple benefits such as reduced diffuse pollution, flood mitigation and biodiversity. To provide coherent land use in Scotland, some issues require a more strategic landscape scale approach to enable evaluation of competing constraints and ensure that we make best use of our scarce land resources in delivering multiple benefits.

A significant proportion of the woodland creation capital budget is targeted to support the protection of new trees from a variety of herbivores, particularly deer. This has largely been through the provision of deer and stock fencing, as well as individual tree protection. Wild deer present a significant risk to the establishment of new woodlands, the regeneration of native woodlands, and the general condition of all woodlands, as recognised in the independent [Deer Working Group report](#). Whilst fences provide initial protection to establishing new trees from most herbivores, they can also have a negative impact on the landscape and on some bird species, if they are not in the right place and suitably marked. In addition, as fences age, they become porous which can result in increased browsing pressure affecting timber quality and biodiversity. Individual tree protection generates a substantial amount of plastic waste.

Given the significant negative impact that deer and other herbivores can have on our biodiversity, it will be important to consider whether the current support mechanisms are sufficiently agile to encourage effective management and to progress this as a credible alternative to fencing.

As outlined earlier, there is a biodiversity crisis in Scotland and the Scottish Government is committed to tackling biodiversity loss. All forests and woodlands can deliver positive outcomes for nature and the FGS has made a valuable contribution to achieving this goal. As consideration is given to the further development of the support mechanisms for forestry, it is important to consider if there are ways in which a greater biodiversity contribution could be delivered as part of this investment.

### Question 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.

### Question 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?

Small scale mixed land use?

### Question 17

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

## Future Grant Support for Forestry

### Respondent Information Form

**Please Note** this form **must** be completed and returned with your response.

To find out how we handle your personal data, please see our privacy policy:

[Privacy – Scottish Forestry \(www.forestry.gov.scot\)](http://www.forestry.gov.scot)

Are you responding as an individual or an organisation?

- Individual  
 Organisation

Full name or organisation's name

Phone number

Address

Postcode

Email Address

The Scottish Government would like your permission to publish your consultation response. Please indicate your publishing preference:

- Publish response with name  
 Publish response only (without name)  
 Do not publish response

**Information for organisations:**

The option 'Publish response only (without name)' is available for individual respondents only. If this option is selected, the organisation name will still be published.

If you choose the option 'Do not publish response', your organisation name may still be listed as having responded to the consultation in, for example, the analysis report.

We will 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

No