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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?

Yes

Please explain your answer in the text box.:

We are supportive of specific grant support for forestry, in particular to promote native and mixed woodland creation and the transition of planted forests to more regenerative management practices, with significant enhancement of diversity and woodland condition.

We welcome the recent work by Forestry Scotland and Scottish Government to revise and improve the existing agroforestry options under the FGS. In terms of future support for agroforestry and farm woodland on existing farm holdings, we would propose a single scheme for farmers based on the concept of a 'whole farm plan'. However, we note the Scottish Government's intention, per the consultation on the Agriculture Bill, to introduce a four-tier framework for agricultural support and we discuss how agroforestry options could fit within this framework in our response to Question 2.

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.:

As proposed in response to Q.1, we would encourage the development of 'whole farm plans' to support the integrated development and management of all tree and woodland assets on farm holdings. We note that the Scottish Government has suggested that 'whole farm plans' could be a requirement for receiving the Tier 1 base payment under the future four-tier model of agricultural support. We would support that, provided 'whole farm plans' are clearly defined and include, as referenced above, management of existing wooded assets and plans for future integration of trees into the farm enterprise.

Support for agroforestry could be adapted to suit the Scottish Government's proposed four-tier framework, with options under Tier 2 for in-field silvopastoral and silvoarable planting and options under Tier 3 for riparian and hedge planting, for example. Farm-scale forestry could also be supported under Tier 4, along with the provision of specialist farm advice to ensure any agroforestry or farm woodland systems are carefully planned. Arguably the most important element is to have the process of applying for grants or other support payments to be viewed as accessible by farmers. Some of the feedback we have received as part of our Scottish Government KTIF-funded knowledge exchange project 'Agroforestry in Action' suggests there might be greater take-up of existing agroforestry options under the FGS if the process was more familiar to farmers. Providing agroforestry options linked to direct payments and/or the future equivalent of the Agri-Environment and Climate Scheme may result in a greater number of applications.

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.:

There should be two main priorities to support new and existing woodlands and forests that will help tackle the climate emergency:

Priority 1

Support the creation of new native and mixed woodlands, that as well as sequestering and storing carbon, should also be required to demonstrate that they are supported by local communities and help to restore nature.

Priority 2

Scotland's planted forests should be supported to become much more resilient to not only a changing climate but also to the risks of pests and pathogens that are thriving in a changing climate. This means only providing grant support for existing woodland management that is aimed at increasing diversity and heterogeneity at all scales, as well as supporting forest management systems designed to maintain and improve woodland condition.

Some specific considerations to support priority 1 and 2 might include:

1. Above a certain scale, (suggest 1.0ha.) there should be no funding for single species stands, with enhanced grants for the planting of intimate mixed species at the stand level (3 and more species).

2. Active support for natural regeneration as a legitimate woodland creation and management strategy based on the concept that trees that naturally

establish are more likely to be more resilient and site adapted than planted trees. This strategy will require grant support for measures that encourage natural regeneration ranging from deer fencing and control, to the introduction of herbivores in a managed way to encourage regeneration.

3. Specific management grants for stands that are transitioned to continuous cover as the best approach to managing forests as an ecosystem that can adapt to a changing climate, as basic woodland processes are maintained above and below ground. These grants should be conditional on long-term commitment to this form of management. The conditions may need to be supported by some sort of covenant, so that managers commit in the long-term to maintaining forest and soil condition by avoiding large-scale clear-felling.

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 you answer in the text box.:

Our comments are focused on supporting farm-scale woodland and agroforestry to access private investment, as the current complexity means that many farmers and community land managers face significant barriers to entry for participation in the voluntary carbon markets.

Ideally, there would be a 'whole farm nature and climate approach' that facilitated access to private markets using the farm or the community managed land area as the unit or project boundary and brought together land use-based requirements and methodologies for measurement, reporting and verification (MRV) from existing and developing codes and standards e.g. woodland, peatland, agroforestry and hedgerow codes. This would be an aggregation exercise, framed around the farm or community land as the 'project' and the farmer or community as the 'applicant'.

In addition, there is a need for a more significant enhancement, to investigate and develop a unified validation/verification process for the 'whole farm project', to simplify the process and reduce administration costs for farmers.

As well as supporting access, a whole farm framework standard would support integrated land management in local areas, providing income for local communities and therefore facilitating a Just Transition for the land-use change required to reach Net Zero targets.

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.:

As a principle, we would encourage the grant scheme to focus more on the requirements for managing existing and new woodlands as part of a local foundational economy. Grant support will always be required to support the significant capital costs of woodland establishment. However, the direction of travel for the management of existing woodlands should be for this to become better supported by a local woodland economy, that in turn drives the ongoing quality management of forests and woodlands for products and services that are valued in the market.

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

How can the grant scheme support this?:

As stated in response to question 3, we would propose the following as resilience strategies for the risks posed by climate change and pests & diseases:

1. Above a certain scale, (suggest 1.0ha.) there should be no funding for single species stands, with enhanced grants for the planting of intimate mixed species at the stand level (3 and more species).

2. Active support for natural regeneration as a legitimate woodland creation and management strategy based on the concept that trees that naturally establish are more likely to be more resilient and site adapted than planted trees. This strategy will require grant support for measures that encourage natural regeneration ranging from deer fencing and control, to the introduction of herbivores in a managed way to encourage regeneration.

3. Specific management grants for stands that are transitioned to continuous cover as the best approach to managing forests as an ecosystem that can adapt to a changing climate, as basic woodland processes are maintained above and below ground. These grants should be conditional on long-term commitment to this form of management. The conditions may need to be supported by some sort of covenant, so that managers commit in the long-term to maintaining forest and soil condition by avoiding large-scale clear-felling.

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?:

We support all these measures and the goal should be to aim for a grant system for trees on farm that can support the farm enterprise and can be accessed direct by those farmers that wish to (rather than through a forestry agent).

To further facilitate this we suggest that there is a single entry point to access grants across the whole spectrum of 'trees on farms', as this integration will be critical for farmers and crofters. This would include the integration of trees into farming systems as agroforestry, as well as farm-scale forestry that is managed as part of the farm enterprise. There are significant benefits from integrating trees and farm woodland, and the process of tree planting and developing agroforestry systems would also deliver in terms of emissions reduction and nature restoration and enhancement.

One scenario modelled by Soil Association and Cumulus in the Trees and Woodland in the Farmed Landscape report suggested that a modest allocation (in range of 1-5% of Scottish farmland) would lead to an extra 342,000ha of woodland and trees outside woodland by 2050. This would include a wide range of agroforestry systems, including silvopastoral and silvoarable planting. Examples where this could be particularly effective are shelterbelts in dairy systems, which have been found to reduce thermal stress in animals and increase milk yields, or the use of trees in free range poultry systems, which has been found to reduce stress and lead to productivity benefits compared to intensive systems. There are also opportunities for existing and new woodland on farm to be better integrated into the wider management of the farm enterprise e.g. by providing timber/woodchip for on-farm use, controlled grazing in woodland and off-farm sales of tree products, as well as carbon credits for farm-level net zero and possible off-farm sale to supply chain or third-party investors.

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.:

No specific suggestions

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.:

No specific suggestions

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.:

As stated in response to question 5, we would encourage the grant scheme to focus more on the requirements for managing existing and new woodlands as part of a local foundational economy. Grant support will always be required to support the significant capital costs of woodland establishment. However, the direction of travel for the management of existing woodlands should be for this to become better supported by a local woodland economy, that in turn drives the ongoing quality management of forests and woodlands for products and services that are valued in the market.

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.:

No specific suggestions

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.:

No specific suggestions

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

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

As stated in response to question 5 and 10, we would encourage the grant scheme to focus more on the requirements for managing existing and new woodlands as part of a local foundational economy. Grant support will always be required to support the significant capital costs of woodland establishment. However, the direction of travel for the management of existing woodlands should be for this to become better supported by a local woodland economy, that in turn drives the ongoing quality management of forests and woodlands for products and services that are valued in the market.

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.:

No specific suggestions

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.:

No specific suggestions

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?:

No specific suggestions

Small scale mixed land use?:

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

Please add your comments here.:

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:
Soil Association Scotland

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

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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

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