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Submitted to Future Grant Support for Forestry Submitted on 2023-05-17 14:40:55

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.:

Fisheries Management Scotland is the representative body for the District Salmon Fishery Boards, the River Tweed Commission and the Rivers and Fisheries Trusts in Scotland. We work to promote and ensure the best, evidence-based fisheries management for the protection and preservation of Scotland's wild salmon and freshwater fish, along with developing their fisheries and protecting their wider environment.

Of particular relevance to this consultation is the need, identified in Scotland's Wild Salmon Strategy, to develop and implement an integrated approach to riparian management to improve the climate resilience of rivers, water quality, river morphology, and the availability of habitat networks. Appropriate management of bankside vegetation and native woodland can provide dappled shade, which reduces the amount of solar radiation reaching the water surface and thereby reducing river temperatures. This is a vital management intervention to mitigate some of the effects of climate change. Such shading can also help to mitigate other pressures which are expected to be exacerbated by climate change, including the impacts of eutrophication and algal blooms.

There is considerable potential to increase riparian woodland on Scotland's rivers as it is one of the Europe's most sparsely wooded countries. Scotland has ca. 108,000 km of rivers, of which only ca. 35% are protected by any substantial tree cover. Given the time taken to plan and implement appropriate planting, and for trees to grow to a height where they provide meaningful shading, it is important that efforts are made increase the spatial extent of riparian woodland as a matter of urgency.

Depletion and lack of woodland and tree cover across water catchments are a serious concern and deserve targeted attention for their restoration and reestablishment.

However, wider land use interactions and integration with other land uses and plans should be considered such as those in relation to planning priorities related to agriculture, upland land management, renewables, natural flood management (NFM) measures, water management, riparian woodland, wetlands and nature networks as represented through:

RPID Agri-Environment Climate Scheme (AECS) Local Development Plans National developments and NPF4

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.:

There is support for water margin protection through the current RPID Agri-Environment Climate Scheme (AECS). However, the creation of targeted riverside woodland at scale is not straightforward because the Forestry Grant Scheme (FGS), whilst effective for more commercial forestry, does not readily support riverside planting or regeneration.

We recognise that RPID AECS includes options to restrict access to rivers for stock, and associated alternative watering measures, in areas of riparian sensitivity. We believe that similar provision should be included in FGS, to support alternative waterings where woodland creation proposals result in stock exclusion from existing waterings. Provision for installing water gates where necessary should also be supported.

A holistic approach to reduce grazing and browsing pressure by stock and deer, especially in sensitive upland watersheds, should be taken to encourage natural regeneration where fencing costs might be prohibitive. This is to enable catchment-wide and riparian zone recovery and bringing watercourses restored to good ecological condition.

Adequate buffer zones should be included as a universal measure for water courses for agriculture (>10m) and production forestry (>30m). Opportunities to include planting of native woodland species within the buffer zone should be compulsory as part of commercial applications to FGS.

The FGS should include additional scope for supporting Natural Flood Management (NFM), seasonal flooding measures and wet native woodlands. This would align with provision under AECS for seasonal flooding and wetlands creation on agricultural land.

Landowners and farmers continue to receive financial support via the Basic Payment Scheme (BPS) on woodland areas planted through FGS or through AECS. However, planting delivered via alternate funding may then negate the land being eligible for BPS which can be a disincentive for farmers and

landowners to create woodlands. The Basic Payment Scheme should be allowed to be claimed on areas of land under the Forestry Grant scheme (FGS) or the Agri-Environment Climate Scheme (AECS) AND on schemes delivered out with FGS and AECS funding.

- 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.:

We have significant concerns about the continuing practice of replanting conifers on deep peats after tree felling. Currently, new conifer planting schemes are not permitted on peat deeper than 50cm – we believe that replanting on deep peats should be disallowed through FGS. Peatland restoration is recognised as a means to retain high levels of soil carbon and water retention and can have a significant positive impact on water quality. Instead, support should be offered for "forestry to bog" restoration on areas of deep peat, previously used for commercial forestry.

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.:

Current FGS grant levels rarely covers the full costs of riverside woodland planting (around 80%) and there is a need to find top-up funding. However, the standard costs need to be reviewed as they reflect historic costs and the top up required has increased. It is increasingly possible to find funding through carbon sequestration brokers operating under the Woodland Carbon Code. This funding can often provide more than 15% funding and in certain situations may be able to provide the majority. It would be useful if the FGS administration system is able to incorporate leverage of WCC contributions and private finance. This can include the potential application of "impact funds" where biodiversity outcomes can comprise an acceptable return on investment to the investor.

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.:

The funding package should be amended help stimulate activity in less commercial and smaller scale and locally prioritised situations suited to riparian and native woodland schemes. Support should include provision for plan preparation, pre-application surveys as required for peatland and other sensitive habitats, and for FGS submission.

An enhanced grant for deer fencing where remote locations and grazing / deer pressure require fenced protection would help stimulate woodland establishment in upland locations.

FGS should take into account the increased capital cost of riparian woodland creation (high fencing cost vs area of planting) and this is especially so in upland areas. The FGS funding can leave a big cost gap for woodland created to protect some of our vulnerable upland river systems.

FGS application should support regional / neighbouring schemes that cooperate to establish catchment or landscape scale approaches.

The experience of some members is that applications for smaller riparian woodland schemes are below the minimum funding threshold for FGS consideration even though they satisfy area criteria. Riparian schemes are often by their nature of smaller scale. We recommend that riparian schemes are not subject to a funding threshold.

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, 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.:

FGS value for money criteria place a focus on timber production and the ratio of area planted to the cost of tree protection/fencing. The linear nature of riverside woodlands often mean they score badly. There should be greater value attached to wider benefits that tackle climate change and biodiversity loss. These include;

Reduction of water temperatures for cold, clean water to benefit salmonid spawning and survival.

Improvements in water quality

Flood mitigation through Natural Flood Management

Diffuse pollution (SEPA Priority Catchments)

Moderation of water flow down catchments

Erosion control

Reduction of water temperatures for cold, clean water to benefit salmonid spawning and survival

Overall improvement to the riparian habitat to benefit biodiversity.

The importance of increasing cover of native riparian trees, to provide dappled shade and reduce peak temperatures in rivers, is recognised in Scotland's Wild Salmon Strategy.

- 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.:

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.:

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.:

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.:

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 Answered

- 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.:

Establishment and management of riparian woodlands, buffer zones and riverside trees require specialist skills and knowledge of the freshwater environment. Specialist organisations such as Rivers and Fisheries Trusts have well practiced experience in this area and are available to provide advice on such schemes, particularly in relation to designing schemes for the purpose of freshwater habitat and improvement and mitigating the effects of climate change.

Applicants for riparian woodland schemes should be encouraged to liaise with such organisations in advance of submitting an application.

Support should be given to applications that can demonstrate sourcing from local suppliers and using planting stock of local provenance.

- 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.:

Riparian woodlands in good condition are typically characterised by trees that are suited to wetter ground conditions with their associated ground flora comprising a multi storey open canopy woodland. They provide wide biodiversity benefit and especially for salmonids in providing dappled shade to keep water cool for successful spawning and survival of salmonids, hosting invertebrates as their food source, stabilising banks and moderating extremes in water flow. Stable gravel beds are necessary for female salmon to establish their redds (nests). Loss of suitable spawning habitat, may have contributed to the decline of Atlantic salmon in some rivers and restoration of suitable spawning conditions and freshwater habitat is an important management priority.

The current 'Woods for Water' target maps are helpful in determining the potential for riparian woodland creation in a flood management context, but somewhat limited in wider considerations for the freshwater environment. Scotland's River Temperature Monitoring Network (SRTMN) maps should be used to more accurately assist targeting and scoring riparian woodland proposals to introduce dappled shade to help mitigate climate induced impacts on native fish. Riparian planting along watercourses and their tributaries which are highlighted through the SRTMN modelling as vulnerable should be incentivised via a premium along the same lines as 'Woods for Water', or be incorporated into the 'Woods for Water' target maps.

The FGS scheme should include a specific "riverside woodland premium" enhancement rate for this neglected important habitat (particularly in sensitive areas identified through Scotland's River temperature Monitoring Network, priority catchments for diffuse pollution, or Potentially Vulnerable Areas (PVA's) for flooding).

In the case of riparian native woodland densities between 550-1100/ha would be more suited to create the most beneficial habitat for river systems (rather than 1600/ha current FGS guidelines for broadleaves). Similarly, open ground allowance is limited to 15% of the overall design. Allowing flexibility on planting density and open ground allowance within recognised riverside areas would enable more and better-quality riparian schemes.

Currently, within an overall scheme, the additional uplift is only applicable if 50% or more of the eligible option(s) area, is within the target area. The additional uplift should be applicable to any riparian native woodland that is located within the target area and also to a maximum contiguous equivalent area out with the target area.

Currently, new conifer planting schemes are not permitted on peat deeper than 50cm – we believe that replanting on deep peats should also be disallowed through FGS. Peatland restoration is recognised as a means to retain high levels of soil carbon and water retention and can have a significant positive impact on water quality. Instead, support should be offered for forestry to bog restoration on areas of deep peat, previously used for commercial forestry.

In some areas, natural regeneration of Sitka spruce in riparian areas is creating a range of impacts including compromising native vegetation, water quality, bank stability and the establishment of native riparian trees. The costs of removal of such natural regeneration should be covered by the FGS.

While new planting schemes consider riparian planting as part of their design, restocked sites do not always include native riparian woodland in the overall design. A riparian component should be a compulsory element of restock design.

In the experience of some FMS members, broadleaf trees in a forestry scheme sometimes receive less management attention than the productive component. This is especially in the case of the replacement of failed trees. FGS grant conditions should be included to ensure that an equivalent survival of broadleaf trees is achieved as for the productive component.

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?:

At landscape scale areas where herbivore pressure is high fencing is required. Herbivore pressure is mainly from browsing by deer but also extensive livestock grazing. Fencing is one of the most significant costs incurred and currently the grant rates don't reflect the prescribed 80-85% intervention rate against current actual costs of £17.00-£23.00 depending on deer fence specification. This is particularly true in remote areas where transport costs are high and access difficult. Fencing costs are becoming prohibitively costly to make large schemes viable.

Where fencing is deemed necessary uplift for full costs of deer fencing should be met through FGS.

Small scale mixed land use?:

As above and in particular to ensure complementarity between AECS and FGS such that support to reduce deer and stock pressures on woodlands are aligned and balanced in terms of value for money, including for provision of fencing costs or other forms of long-term tree and woodland understory protection where needed.

Biodegradable tree protection products, often used in smaller scale woodland creation projects, are more expensive than single-use plastic. As an incentive to switch to more sustainable products, this additional cost should be reflected in the grant support.

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

Please add your comments here.:

Well prepared and thought through wider catchment scale woodlands should include considerations for water quality, environmental and climate adaptation benefits explicitly addressing issues where relevant such as;

Water quality

Flood mitigation through natural flood management

Diffuse pollution (sepa priority catchments)

Moderation of water flow down catchments

Erosion control

Reduction of water temperatures for cold, clean water to benefit salmonid spawning and survival

Overall improvement to the riparian habitat to benefit biodiversity.

Attention to the Wild Salmon Strategy Implementation Plan Actions 1.8 and 1.9

About you

What is your name?

Name:

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Are you responding as an individual or an organisation?

Organisation

What is your organisation?

Organisation:

Fisheries Management 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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