**Note of the meeting of the National Forestry Stakeholder Group**

**05 October 2023**

**The future of forestry grant support and evidence quantifying the forestry carbon cycle**

The National Forestry Stakeholder Group met for a sixth occasion to hear about the analysis of the consultation on the future of forestry grant support and discuss the report commissioned by Scottish Forestry from Forest Research on the carbon sequestration benefits of creating different types of woodlands. The meeting was chaired by Paul Lowe, interim Chief Executive of Scottish Forestry.

The meeting began with an opening address from Mairi Gougeon MSP, Cabinet Secretary for Rural Affairs, Land Reform and Islands. It highlighted the following points:

* Forests and woodlands provide a range of environmental, social and economic benefits that are important to Scotland and have never been so important in delivering key Scottish Government priorities.
* The recent consultation on the Forestry Grant Scheme (FGS) has been a very important exercise as we aim to deliver forestry’s contribution to Net Zero while achieving wider objectives on the economy, biodiversity and local communities.
* We need to grasp the potential offered by emerging markets (such as carbon markets) to increase investment in our forests and woodlands to deliver these targets.
* Meeting our climate change and biodiversity targets will only be achieved by working in partnership and creating a balance of different woodland types.

Paul Lowe then presented high level results from the consultation on the future of FGS. He noted a range of views on some issues, reflecting the diversity of respondents and the wide-ranging functions provided by forests and woodlands. Paul summarised the key findings as:

* Support to retain the FGS as a discrete, stand-alone scheme.
* Use of FGS funding to improve forest and woodland resilience to extreme weather events and outbreaks of pests and diseases.
* Integration and alignment of FGS payments with other land uses (notably farming and crofting).
* Adjustment of grant rates to keep pace with inflation.
* Simplification of the application process for smaller projects.

Responding to questions, Paul clarified that the consultation responses will be considered alongside other sources of information to assess the effectiveness of the FGS in targeting the right priorities and areas. The numeric breakdown of responses from different sectors will not be the basis for prioritising action.

Pat Snowdon, Head of Economics and Woodland Carbon Code at Scottish Forestry, presented the findings of a report commissioned by Scottish Forestry from Forest Research on “Quantifying the sustainable forestry carbon cycle”. The report aims to provide objective evidence on the carbon dioxide removals from planting different types of woodlands, taking account of the whole carbon cycle (e.g. interactions with soils and watercourses, forest management, biomass growth, and wood products).

The meeting then split into two discussion groups. Points raised in answer to each of the two questions posed are summarised below.

1. *What is the most important finding from the carbon study and why*?

* The results are a powerful confirmation of the role of forestry in carbon sequestration, across all types of woodland.
* Rapid carbon sequestration is required by the 2050 Climate Change Plan but needs to balance with other objectives such as biodiversity, access and wellbeing.
* The importance of faster growing conifers is clearly demonstrated, in terms of rapid carbon sequestration, reduced reliance on imports, and locking carbon into long lived wood products, reducing emissions.
* Management activities have a significant impact on net CO2 removals. For example, it is important to minimise soil disturbance.

1. How can we increase carbon sequestration from woodlands while enhancing the resilience of the forest estate?

* Making forests more resilient will be critical to delivering carbon benefits. We need to be open-minded about other types of forestry and look for the big picture.
* Grant funding can direct which forestry types are planted.
* Improved management of commercial conifers could increase carbon sequestration.
* Planting of productive timber can be balanced by using native woodland to deliver longer term sequestration and storage.
* Some investors may favour shorter rotations to planting different woodland types, to permit reactivity to changes in climate and pest/disease outbreaks.
* Advisory bodies should ensure land managers can make informed but diverse judgements about what will keep their forests viable and healthy long-term.

Alan Hampson, Scottish Forestry’s Head of Policy and Practice, summed up the session by noting the full technical report will be published by Forest Research following peer-review. The report will then be available to inform decision making in multiple areas and hopefully incorporated into decision support tools such as the Ecological Site Classification.

Paul Lowe concluded the meeting by thanking the Cabinet Secretary and attendees for engaging with the discussion and devoting time to these topics.