

CLIMATE CHANGE BILL

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Subject: CLIMATE CHANGE BILL

1. What are your views on allowing the Forestry Commissioners to enter into joint ventures, with the intention of participating in renewable energy programmes on the national forest estate?

This makes a lot of sense. There is tremendous potential for both wind and hydro energy schemes, besides biomass production, on FC ground and if we were able to get full commercial value as partners in these schemes, rather than simply leasing the sites, we could be self-financing in the near future. This would strengthen our value to the country, enable us to deliver a better public service and contribute even more to the climate change agenda.

2. What are your views on allowing Scottish Ministers and Forestry Commissioners to offer leases and cutting rights over parts of the national forest estate?

This is almost certainly the end of the Forestry Commission. To sell off the most productive timber over 25% of the FCS estate would no doubt benefit the Climate Change programme initially; it would cripple the FCS financially. The 25% of our most productive forests are probably responsible for 40 to 50% of our income and because the jobs lost would also be associated with these productive areas the net saving would in fact be a net loss. To make FCS a less viable organisation seems a backward step, when there are other options such as joint ventures. However much of the most productive forestry area likely be offered as a lease is also area that would be suited to wind and hydro power opportunities, hence we not only sell off the timber crown jewels but also the potential income from joint ventures.

Any investor taking up the lease would not want the cost of employing the number of people we have, as they have to have a far more commercial objective. The employees currently delivering the other multi-benefits of forestry wouldn't be required and they would probably need to reduce the operational staff numbers. This does eventually means a large number of redundancies.

Any lessee would only be investing to see a healthy return and so much of Scottish Forestry Strategy (SFS), that we currently deliver would not be achieved in the lease areas. Although access is a lawful right, without the added value we give visitors, local tourism, education and community benefit would suffer, as would the conservation work we carry out to enhance habitats and protect the environment. In theory the law protects some of these interests, but the FCS see the SFS as a baseline to work up from, whereas in general the private forestry sector see it as a ceiling to work to. In many respects these first rotation highly productive forest have the most potential for improvement, but the lease would ensure that they would fail to meet the aspirations of the SFS for another generation or two.

3. What are your views on (i) transferring the proceeds from leases and cutting rights to a not-for profit trust, for investment in woodland creation; (ii) transferring the landlord's interest in this land to a not-for profit trust; and (iii) Ministers stipulating the constitution of such a not-for profit trust.

In theory the Trust would have the benefit of being able to carry over money from one financial year to the next, which the FCS cannot, but it seems to be a sledgehammer to crack a nut. There is already an organisation in place to create woodland either directly or through grants, it is (was) called the Forestry Commission. Due we need a new quango in these strapped for cash times?

4. Are there other actions which need to be taken, or are there other changes in legislation which need to be made, in order to allow the public and private forestry sector to contribute to Scotland's target of reducing emissions by 80% by 2050? If so, please outline what these are.

Make the Scottish Rural Development Programme less bureaucratic, user friendly and provide a real incentive to get the private sector planting again. The failure of the private sector to plant 10,000 ha a year should tell us something about the SRDP. Most importantly let FCS do what it does best, balancing all the objectives of the Scottish Forestry Strategy and give us a freer hand to maximise the potential of the land we manage by allowing us to enter joint ventures.

Chris