



Response to Consultation on Forestry Provisions in the Scottish Climate Change Bill

To: Liz Kirk
From: Iain Thomson
CC:
Date: 13/01/09

Response to Question 1 :

The Commissioners should be able to enter into joint renewable energy ventures on the national forest estate if the energy projects make overall sense. If new planting is required to meet afforestation and carbon capture targets then I cannot understand why we allow trees to be felled on a large scale to allow wind farm developments. Two projects I was involved in, Whitelees Forest in South Lanarkshire and Cruach Mhor in Argyll involved developing wind farms on national forest land where not only mature trees were felled on a large scale but also mid rotation crops were felled to waste resulting in a loss in productive forest of around 2000Ha! Crop should not be cleared to allow wind farm development – there is open hill ground that could be used. Developing small and medium scale biomass CHP plants within the national forest land may make sense (and probably would have at Whitelees) where there is enough fuel supply, grid connection is feasible and there is a community/local business where the heat could be used.

Response to Question 2 :

I do not have enough information to fully understand the economics of the lease scheme but other than raising some immediate capital I would have thought there was no real benefit to the taxpayer. Any company wanting to take the lease on is going to want to pay substantially less than the value of the timber that would be harvested under the cutting rights, including allowances made for public benefit provision, TUPE?, restocking, maintenance and all other management costs associated with compliance with UKWAS. So there should be more money available to SG/FCS if FE harvested the timber. Also the costs of setting up the lease scheme should not be underestimated. Far better I would have thought to speed up the disposals programme and allow the private sector to expand.

Response to Question 3 :

Parts (i),(ii) and (iii)..... Since I don't really agree with the lease scheme (see above) then I don't think that any of the points in this question are of any benefit. As I have already pointed out, setting up the lease scheme will be expensive and setting up and managing a trust even more so. Why should the taxpayer have all these costs when the most efficient way to realise capital from the national forest estate would be through disposals. I know from experience that there are many 'unproductive' and outlying woodlands that will sell quickly and relieve FCS of any burden (or perceived burden). It took 10 years of pestering FC/FCS before I was able to purchase a woodland that was strategically important to me but a burden for FCS and even then because the selling agent did not believe that my offer to secure the property before it went on the open market was more than I would offer once it was on the open market then the tax payer lost out on almost £100,000. If this system is streamlined and brought more in line with private forest sales then a substantial amount of capital will be raised in a short time

without having to lose the income from timber sales from the more productive areas that could be retained by FCS. I have to reiterate what I have said in my response to question 1 – it seems ridiculous to fell mature and especially mid rotation crops to allow wind farm development when new planting targets are only 50% of what we need to achieve afforestation and carbon capture targets.

There is another reason why these targets are not being met and that is because there is not enough suitable land available at a price that makes sense for planting. Mineral soil sites are too valuable to agriculture to be sold at price that makes sense for afforestation. Private forestry companies cannot advise their clients to invest so much money in to buying the land that the whole planting scheme does not make sense from the outset. It is the same for the taxpayer. The answer to our new planting shortfall is not for the taxpayer to foot the bill for uneconomical planting but for the private sector to be encouraged to increase planting. I will expand in my response to Question 4 below.

Response to Question 4 : FCS should stop allowing windfarms to be built on unsuitable sites ie sites that are already afforested. This should include both private and public land. More effort should be put into building CHP plants that will utilise the timber resource and by creating another market will help to encourage new planting. New planting should be encouraged by reallocation of forestry grants under SRDP. No additional funding is required but funding should be diverted away from management and maintenance operations in the short to medium term to allow more generous new planting grants. The current targets of 10,000ha per annum will be easily met by an increase in new planting grant to reflect the true costs a planting project ie the grant has to include a contribution to cost of land and also to allow for opportunity costs from loss of other land use. The Farmland premium has to be made more attractive again by diverting funds away from other agricultural activities within the SRDP. If we are serious about the contribution new planting can make to carbon capture and we consider this a priority then we have to reallocate funds to back this up.

I believe these measures would be most beneficial to the taxpayer, for carbon capture and the forestry industry in Scotland. Keep it simple!