



The Scottish Parliament
Pàrlamaid na h-Alba

RURAL AFFAIRS, CLIMATE CHANGE AND ENVIRONMENT COMMITTEE

AGENDA

28th Meeting, 2013 (Session 4)

Wednesday 2 October 2013

The Committee will meet at 9.30 am in Committee Room 2.

1. **Resource use and a circular economy:** The Committee will take evidence from—

Professor Walter Stahel, Product Life Institute.

2. **Draft Budget Scrutiny 2014-15:** The Committee will take evidence on the Scottish Government's Draft Budget 2014-15 from—

Gavin Stevenson, Chief Executive, Dumfries and Galloway Council, South of Scotland Alliance;

Brendan Dick, Managing Director, BT Regions and Director, BT Scotland, BT;

Alex Paterson, Chief Executive, Highlands and Islands Enterprise;

and then from—

Paul Hendy, Director, Scottish Flood Forum;

Philip McKay, Head of Service (Roads & Landscape), Aberdeenshire Council;

Lisa Webb, Land Use Policy Officer (Water), RSPB Scotland;

Dr David Pirie, Executive Director, Scottish Environment Protection Agency.

Lynn Tullis
Clerk to the Rural Affairs, Climate Change and Environment Committee
Room T3.40
The Scottish Parliament
Edinburgh
Tel: 0131 348 5240
Email: racce.committee@scottish.parliament.uk

The papers for this meeting are as follows—

Agenda item 1

Note by SPICe RACCE/S4/13/28/1

PRIVATE PAPER RACCE/S4/13/28/2
(P)

Agenda item 2

Note by the Clerk RACCE/S4/13/28/3

PRIVATE PAPER RACCE/S4/13/28/4
(P)

PRIVATE PAPER RACCE/S4/13/28/5
(P)

Resource use and a circular economy

Background

1. At its meeting on 26 June 2013 the Committee agreed, as part of its future work programme discussion, to consider the possibility of an inquiry into Scotland's zero waste strategy and future resource use. In agreeing its work programme¹ at its meeting on 11 September 2013, the Committee agreed that as part of its consideration of future resource use it would invite Professor Walter Stahel to give evidence on the concept of a 'circular economy'.

Professor Walter Stahel

2. Walter Stahel is an architect, economist and expert on sustainability. He established the Product Life Institute² in Geneva 30 years ago, a consultancy devoted to developing sustainable strategies and policies.

3. Professor Stahel is credited with having coined the expression "Cradle- to-Cradle" in the late 1970s. His ideas have contributed to what is now known as the "circular economy" in which goods are designed for reuse, remanufacture and recycling as part of a strategy to improve resource efficiency and create jobs.

4. Walter Stahel is currently Visiting Professor at the Faculty of Engineering and Physical Sciences, University of Surrey and Vice-Secretary General of the Geneva Association, the leading international think tank of the insurance industry.

Key concepts

Circular economy

5. The Waste Resources Action Programme (WRAP) defines a circular economy as follows—

"A circular economy is an alternative to a traditional linear economy (make, use, dispose) in which we keep resources in use for as long as possible, extract the maximum value from them whilst in use, then recover and regenerate products and materials at the end of each service life."

6. The concept of a circular economy draws on a number of approaches that have been developed and advocated by various academics and business leaders over several decades including—

- **'cradle to cradle'**: Walter Stahel began using the language of 'cradle to cradle' and 'closed loops' in the 1970s and 1980s to highlight how goods and components could be reused, repaired and remanufactured and the employment opportunities that such a closed loop model offered.

¹[http://www.scottish.parliament.uk/S4_RuralAffairsClimateChangeandEnvironmentCommittee/General%20Documents/RACCE - web_work_prog - Sept 2013.pdf](http://www.scottish.parliament.uk/S4_RuralAffairsClimateChangeandEnvironmentCommittee/General%20Documents/RACCE_-_web_work_prog_-_Sept_2013.pdf)

²<http://www.product-life.org/>

- **‘industrial ecology’**: The idea of industrial ecology was developed in the 1970’s and is based on the premise that considering the flow of materials and energy through industrial processes it is possible to optimise the use of energy and resources, reduce pollution and use the waste from one part of the process as the material for another process .

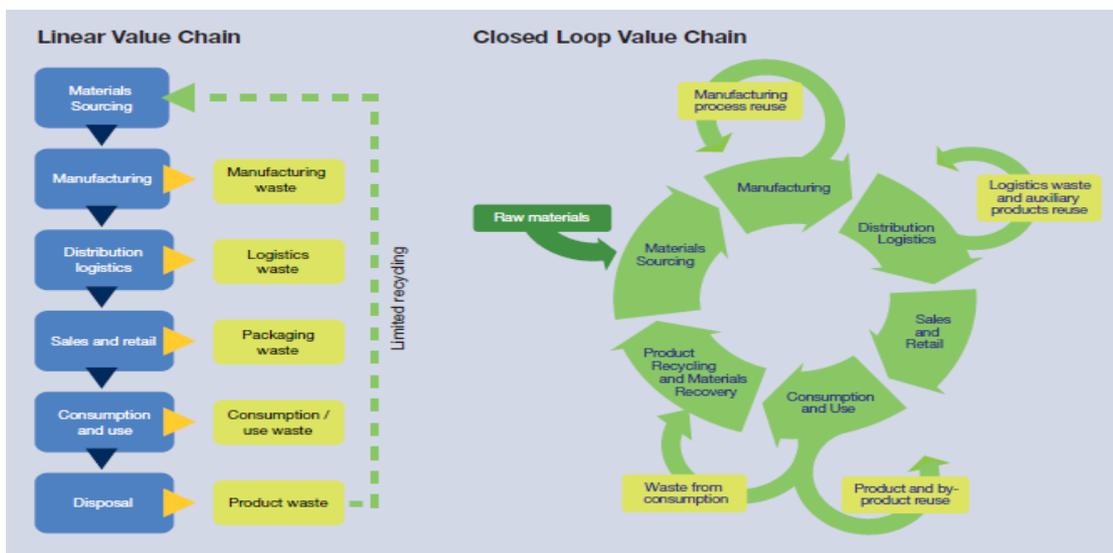
Cradle-to-cradle

7. The aim of a cradle-to-cradle approach is to create products that not only boost the economy but also have a positive impact on environment and society. Rather than natural resources being extracted, transformed into components, assembled into products and then discarded, a circular economy would close the resource loop so that resources are captured and re-used.

8. In comparison to a linear model of design and resource use the Ellen MacArthur Foundation³ describe how more circular approaches can ensure materials are used more efficiency through—

- minimising the amount a product has to be changed in order for it to be reused, remanufactured or refurbished;
- maximising both the length of time that a product functions for, and the number of times it can be reused, remanufactured or refurbished;
- optimising how materials that have degraded beyond being able to be reused as a feedstock in one system can be used as a feedstock in another process or supply chain;
- minimising contamination and maximising the purity of material chains to increase collection and value of materials.

A model of linear and closed loop manufacturing chain



Source: World Economic Forum⁴

³ <http://www.ellenmacarthurfoundation.org/business/reports/ce2012>

Industrial systems

9. To achieve high levels of resource productivity requires both efficient technology and structural changes for example to enable the 'waste' stream from one factory to be used as a resource elsewhere and to source inputs from sustainable sources. Such an approach would build on the concept of an eco-industrial park where businesses co-operate with each other to reduce waste and pollution, share resources and link up waste and feedstock. The UK [National Industrial Symbiosis Programme](#) (NISP) is an initiative that aims to link up businesses so that a resource that is under used or under-valued by one can be used as an input by a business elsewhere.

Consumer behaviour

10. Significant opportunities also exist to change our approach to the ownership of goods and products and the relationship between producer and consumer and in doing so reduce the resources consumed. Access to the facility can be provided without necessarily requiring ownership whether by renting (e.g. car clubs), lending (e.g. Streetbank), swapping or gifting goods and this can be supported by smart and real-time technologies which can help facilitate this. In effect manufacturers and retailers could increasingly retain the ownership of their products and act as service providers.

Benefits, opportunities and barriers

11. The adoption of a circular economy has been advocated by many as an opportunity to address key challenges around resource availability and provide environmental, economic and social benefits. The benefits and opportunities of a circular economy put forward include—

- Financial savings and improved business competitiveness associated with greater resource efficiency;
- Job creation associated with the re-use, remanufacture and refurbishment of goods;
- Reduced environmental impact as a result of reduced reliance on landfill, reductions in climate change emissions associated with extraction, processing and transport of raw materials, and reduced toxicity of materials used to support greater re-use/remanufacture;
- Reduced costs and hassle for users and consumers associated with the disposal of products that break or are not economically repairable after relatively short lifespans and purchase of replacements.

12. A broad range of challenges and barriers have been identified in taking forward the concept of a circular economy. These span barriers faced by industry, business and consumers and can be summarised as follows—

⁴ <http://www.weforum.org/pdf/sustainableconsumption/DSC%20Overview%20Briefing%20-%20Closed%20Loop%20Systems.pdf>.

Barrier	Explanatory note
Vested interests	Some companies have a business model that is predicated on the production of disposable goods. As such these companies may be resistant to new approaches that challenge this in order to avoid losing their market share to more innovative companies.
Consumer Acceptance	Challenges associated with a shift in culture towards access rather than ownership.
Infrastructure	Larger companies may have the leverage to influence the approach of their suppliers but many smaller ones may not have such influence. In addition some infrastructure may only be viable at a particular scale and require co-ordination to join up. Similarly challenges exist around access to finance to develop the necessary infrastructure.
Procurement	Procurement rules have the potential to favour products that have a lower initial capital outlay and are discounted over relatively short periods rather than those that have a greater upfront cost but much lower lifetime operation costs/remain operational for much longer.
Environmental externalities	Where external environmental costs are inadequately reflected in the costs of a product or service the 'one use' product may be favoured over those produced on a more circular economy basis.
Inertia	Some companies can be slow or resistant to adapt.
Data and knowledge gaps	Gaps have been identified relating to the collaboration between "start-of-life" and "end-of-life" industries.

A circular economy in Scotland

13. In ['Low Carbon Scotland: Meeting the Emissions Reduction Targets 2013-2027'](#) the Scottish Government advocate a "shift toward a more circular model of resource use and economic growth that ultimately designs waste out of our economy". The document notes that this "isn't simply about using less and recycling more. It's about supporting new forms of manufacturing, redesigning products and packaging, reshaping supply chains and stimulating innovative new ways to transform recyclables into new, higher value materials."

14. Organisations including the Scottish Government, Zero Waste Scotland and Scottish Enterprise are actively engaged in exploring and implementing activities that could help build a more circular economy, however there is currently no single circular economy plan, or strategy, for Scotland.

Clerks/SPICe

Rural Affairs, Climate Change and Environment Committee

Scrutiny of the Scottish Government's Draft Budget 2014-15

Budget documents and related information

1. The Scottish Government's Draft Budget 2014-15¹ was published on 11 September 2013. The draft budget also contains spending plans for 2015-16. On 24 September 2013, the Scottish Government published a further level of budget information² for each portfolio (known as level 4).
2. The draft budget was accompanied by a carbon assessment³ and an equality statement⁴.
3. The Scottish Government also published a performance evaluation document⁵, which responded to questions raised by subject committees as part of the Parliament's budget strategy phase, and also outlined performance of identified priorities across each portfolio area.
4. The Committee's role in the Parliament's scrutiny of the draft budget is to scrutinise the elements of it which are the responsibility of the Cabinet Secretary for Rural Affairs and the Environment and which therefore fall within the Committee's remit and to report its findings to the Finance Committee. The Committee is therefore primarily concerned with the rural affairs and environment (RAE) draft budget, as detailed in Chapter 7 of the draft budget document.
5. In cash terms, the RAE budget for 2014-15 is set at £559.2m, and in 2015-16 is planned as £592.4m. Both years see an increase on the 2013-14 spend which was £540.8m. In real terms, the budget for 2014-15 is £548.8m, and for 2015-16 is £571.1m.
6. The RAE budget is broken down into six areas of spend – EU Support and Related Services; Research, Analysis and Other Services; Marine and Fisheries; Environment and Rural Services; Climate Change; and Forestry Commission.
7. The Finance Committee has issued guidance to committees on scrutiny of the Draft Budget 2014-15⁶. The adviser to the Finance Committee has also published a report⁷ on the draft budget.

¹ Scottish Government (2013). *Scottish Budget - Draft Budget 2014-15*. Available at: <http://www.scotland.gov.uk/Publications/2013/09/9971/0>

² Scottish Government (2013). Draft Budget 2014-15: level 4 figures. Available at: http://www.scottish.parliament.uk/FinancialScrutiny/2014-15_budget_Level_4.xls

³ Scottish Government (2013). *Carbon Assessment of the 2014-15 Draft Budget*. Available at: <http://www.scotland.gov.uk/Publications/2013/09/6802/0>

⁴ Scottish Government (2013). *Equality Statement Scottish Draft Budget 2014-2015*. Available at: <http://www.scotland.gov.uk/Publications/2013/09/8093/7>

⁵ Scottish Government (2013). Performance Evaluation. Available at: http://www.scottish.parliament.uk/S4_FinanceCommittee/Draft_Budget_2014-15_Performance_Evaluation.pdf

⁶ Scottish Parliament Finance Committee (2013). *Draft Budget Guidance to other Committees*. Available at: http://www.scottish.parliament.uk/S4_FinanceCommittee/Draft_Budget_Guidance_other_Committees.pdf

RACCE Committee agreed approach

8. The Committee agreed its approach to its scrutiny of the Scottish Government's Draft Budget 2014-15 on 11 September 2011. This followed agreement on its broad approach on 26 June 2013, including its decision not to seek to appoint an adviser on this occasion.

9. The Committee took part in the Finance Committee's budget strategy phase earlier this year, and asked⁸ the Scottish Government to provide an update on all of its rural affairs and environment priorities as outlined in the Spending Review 2011. This update is incorporated in the Scottish Government's performance evaluation document, which was published alongside the draft budget.

10. Those priorities fit within the context of the National Performance Framework (NPF)⁹.

11. The NPF lists "Greener" as one of the five overarching strategic objectives. Below that sit 16 outcomes, the most relevant of which are—

- we value and enjoy our built and natural environment and protect it and enhance it for future generations;
- we reduce the local and global environmental impact of our consumption and production;
- we live in well-designed, sustainable places where we are able to access the amenities and services we need.

12. Below that sit eight Purpose Targets, one of which is also specifically relevant—

- Sustainability – Reduce Greenhouse Gas Emissions - to reduce emissions over the period to 2011 and to reduce emissions by 80 per cent by 2050 (these both are recorded on the Scotland Performs website as performance improving).

13. Below that sit 50 indicators, the most relevant of which are—

- increase research and development spending (maintaining);
- increase people's use of Scotland's outdoors (worsening);
- improve the condition of protected nature sites (maintaining);
- Increase the abundance of terrestrial breeding birds: biodiversity (worsening);

⁷ Budget Report by the Adviser to the Finance Committee. Available at: http://www.scottish.parliament.uk/S4_FinanceCommittee/Final_Budget_Adviser_Report_Scotland_20_septweb.pdf

⁸ Scottish Parliament Rural Affairs, Climate Change and Environment Committee. Letter to the Convener of the Finance Committee (18 April 2013). Available at: http://www.scottish.parliament.uk/S4_RuralAffairsClimateChangeandEnvironmentCommittee/General%20Documents/2013.04.19_-_Letter_to_Finance_Committee.pdf

⁹ Scottish Government. *Scotland Performs*. Available at: <http://www.scotland.gov.uk/About/Performance/scotPerforms>

- improve the state of Scotland's marine environment (worsening);
- reduce Scotland's carbon footprint (worsening);
- reduce waste generated (improving).

14. Last year the Committee examined relevant areas of the budget through the lens of delivery of sustainable economic growth. This year, given the progress update on priority areas within the Committee's remit that the Government has published, and the guidance issued by the Finance Committee, the Committee is focussing on delivery by examining progress of the relevant indicators outlined above.

15. The Committee has also agreed to focus on the delivery of the following three specific areas—

- funding for the provision and improvement of broadband services in rural Scotland;
- funding of flood protection and alleviation measures across Scotland;
- funding for the delivery of rural land management and waste aspects of the report on proposals and policies climate change document (RPP2).

Climate change

16. The Committee agreed to mainstream climate change issues across other relevant committees in 2013, as it did for the first time in 2012. The Convener wrote¹⁰ to all relevant committees accordingly. The Committee will review the mainstreaming exercise in 2014, following the conclusion of scrutiny of the draft budget.

17. The Convener of the Education and Culture Committee (ECC) wrote to the Convener of the RACCE Committee on 24 September 2013 to explain why the ECC would not be participating in the mainstreaming of climate change issues in this year's scrutiny of the Draft Budget. A copy of the letter can be found at **Annexe B**.

18. The Committee replied to this letter, and asked the Education and Culture Committee to reconsider its decision. A copy of the Committee's reply can also be found at **Annexe B**.

Equalities

19. Alongside considering the effect that the draft RAE budget may have on equality groups, the Committee agreed to consider how it may affect disability issues specifically in rural communities. The Equal Opportunities Committee has agreed to focus its own budget scrutiny this year on disability.

20. The Committee will question the Cabinet Secretary and Minister about how they work with Ministerial colleagues to ensure that disability issues in rural areas are taken into account within portfolio spend such as health care provision, transport,

¹⁰ Scottish Parliament Rural Affairs, Climate Change and Environment Committee (2013). Letter to other committees regarding climate change scrutiny. Available at: http://www.scottish.parliament.uk/S4_RuralAffairsClimateChangeandEnvironmentCommittee/General%20Documents/Climate_change_budget_mainstreaming.pdf

and education. The Committee has also written¹¹ to the Equal Opportunities Committee on the issue of disability.

Evidence gathering

21. The Committee issued a call for written views¹² on 11 September 2013, with a closing date set of 2 October 2013. One response has been received to date, from Confor, and this is attached at **Annexe A**.

22. The Committee will take oral evidence as follows—

- **2 October 2013 – evidence from stakeholders on rural broadband, and then flood protection and alleviation;**
- **9 October 2013 – evidence from the Cabinet Secretary for Rural Affairs and the Environment; and**
- **10 October 2013 – evidence from the Minister for Environment and Climate Change.**

Stakeholder evidence

23. At its meeting on 2 October 2013 the Committee will take evidence from stakeholders, firstly on rural broadband funding, and then on funding for flood protection and alleviation measures.

24. The session on rural broadband will feature a panel made up of representatives from Highland and Islands Enterprise (also representing Community Broadband Scotland), the South of Scotland Alliance, and BT. The session will examine the RAE portfolio draft budget line for the Next Generation Digital Fund, which is found in the Environmental and Rural Services budget, and is set at £33.8m in 2014-15 and £41.0m in 2015-16.

25. The session on flood protection and alleviation will feature a panel made up of SEPA, Aberdeenshire Council, RSPB Scotland, and the Scottish Flood Forum. The session will examine the RAE portfolio draft budget spending on flooding that is contained in the budget for SEPA (£37.5m in 2014-15 and £39.0m in 2015-16), the Natural Assets and Flooding line (£9.0m in 2014-15 and £9.1m in 2015-16), (both of which are contained in the Environmental and Rural Services budget), and spending via Scottish Rural Development Programme schemes, found in the EU Support and Related Services budget.

Clerks/SPICe

Rural Affairs, Climate Change and Environment Committee

¹¹ Scottish Parliament Rural Affairs, Climate Change and Environment Committee (2013). Letter to Equal Opportunities Committee. Available at:

http://www.scottish.parliament.uk/S4_RuralAffairsClimateChangeandEnvironmentCommittee/General%20Documents/2013.09.12_-_RACCE_Convener_to_EOC_Convener.pdf

¹² Scottish Parliament Rural Affairs, Climate Change and Environment Committee. Call for views on the Scottish Government's Draft Budget 2014-15. Available at:

<http://www.scottish.parliament.uk/parliamentarybusiness/CurrentCommittees/67140.aspx>

Written submission from Confor

Introduction

Confor welcomes the opportunity on behalf of its membership to submit its response to the Rural Affairs, Climate Change and Environment Committee's call for views on Scottish Government's (SG) draft budget for 2014-15. Confor is a members' organisation, funded by and accountable to businesses in the forest industries. Our aim is to promote the market for wood, forest products and forest services, and to help improve the industry's competitiveness. Confor's remit covers all parts of the industry supply chain, from nurseries through to woodland owners, timber growers, contractors, harvesters, hauliers, sawmills and other processors.

General comments

Against the background of austerity explained in the introduction to the draft budget, and a 10.9% decrease in real terms of resources from Fiscal DEL budget between 2010-11 and 2015-16, the proposed departmental expenditure limit throughout Scotland for 2014-15 at £27.8bn is just 1.3% below that for 2013-14. It is therefore encouraging to see spending plans set to increase by 1.5% to £548.8m in the Rural Affairs and Environment portfolio for 2014-15 (on 2013-14), within which support for private forestry is disguised.

However when one focuses down to the relevant section (Table 7.02), we learn that total forestry support is to be cut by 6% to £62.9m, whilst at the same time for example Agri Environmental Measures are to increase by 13%. Yet farmers have consistently failed to take up their allocated funds for agri-environment, whilst money has run out to satisfy demand for forestry grants for new woodland creation, not just for the 2013 claim year, but at the time of writing almost for the 2014 claim year as well.

Members of the RACCE will not therefore be surprised to know that Confor is disappointed with these proposals, and hopes that RACCE will support our arguments for an increased allocation of funds, particularly for woodland grants and for fighting the potentially catastrophic damage facing our industry from the current wave of pests and diseases, notably *Phytophthora ramorum* to our larches and *Dothistroma* needle blight to our pines.

The truth behind the forestry figures

Referring to Table 7.08, it is to be regretted that forestry support continues to be portrayed through the sole heading of 'Forestry Commission', as this perpetuates the belief that Forestry Commission Scotland means everything in the forestry world, whereas the reality is that only one third of woodland in Scotland is on the National Forest Estate. The private sector is expected to deliver the Scottish Forestry Strategy (SFS) on two-thirds of Scotland's woodland, and to create nine-tenths of the woodland expansion target.

Yet for all this, the only mention in the spending plans is one line entitled 'Woodland Grants' and even this gives a totally false picture (at £36m). The fact is that SG is only committing £16.2m of national funds, anticipating clawing back £19.8m in EU co-funding. And that is all they are providing to the backbone of an industry employing 40,000 people and generating £1.7bn for the economy (source Scottish Enterprise: Roots for Future Growth).

Is £36m for Woodland Grants true?

Well no – according to the FCS Head of Delivery and Regions. The latest information we have received is that there could be a budget of £32m next year. This is to be made up of the DEL of £16.2m above, plus £7m transferred to private sector woodland grants from the repositioning programme of Forest Enterprise Scotland (due to the Cabinet Secretary's instruction to halt that programme until FES can satisfy him that future acquisitions will comply with the recommendations of the WEAG [Woodland Expansion Advisory Group]), and finally an as yet undisclosed sum of euros which have not been drawn down from the SRDP 2007-13 programme. This is certainly not the £19.8m of 'EU Income' shown in this draft budget.

Transition and EU Income

As RACCE members will know, 2014 is a CAP transition year, so unless the EU approves the transition regulations, and these are transposed into Scottish statutory instruments, we cannot draw down any EU co-finances during 2014. FCS Head of Delivery & Regions advises that there will be significant problems in any case to use the transition regulations, if they ever get approved in time, since schemes would have to be approved under the new money : new rules concept, and this would require new IT systems to support the administration. RPID have advised that not only would the cost of this be prohibitive, but more importantly to create the new system would drain valuable IT specialist resource away from their top priority of getting the new IT platform fully functional to deliver all CAP support when the new programme opens in 2015.

So including the figure of £19.8m EU Income in the draft budget is meaningless at best, and potentially harmful and misleading.

Anyway, is £36m enough to deliver the SFS?

Quite simply – no. The SFS target of new woodland creation is 100,000 hectares during the decade to 2022 – or simplistically about 10,000 hectares per annum. The 2013 budget ran out some long time ago – it takes up to 2 years to bring a planting scheme to fruition due to our uniquely inclusive, cumbersome and costly nature of consultation on anything to do with forestry. As the statistics attached show (source SRDP Customer Reps Group) the 2013 budget of £36m only managed to support 6878 hectares of new woodland. For 2014 there was already demand for over 12,000 hectares when these stats were drawn up at the end of May.

See 'Woodland Creation Approvals' May 2013 spread sheet at **Appendix 1**.

As pointed out by Confor consistently over the last few years - to FCS, to Ministers and to yourselves and the Finance Committee – our industry is simply not being

provided with the necessary funds to deliver the SFS. Because of the nature of the support within the present SRDP for new woodland creation and for restructuring restock (and for some other sustainable forest management support measures) these all bring a tail of support payments lasting 4, 5, 10 or even 15 years. These legacy payments are now totalling about £10m per annum, and obviously severely dilute what can be achieved with the remaining funds.

FCS has given advice to SG that a budget of between £42m and £45m is required now and for the next several years if we are to cover the demand for new woodland creation that is now there, and which would meet our climate change driven planting targets. If those funds are not provided, and equally important the message given now that those funds will be made available during the next few years, there will not be enough confidence in the industry to go through the long, costly and painful process of bringing new schemes through consultation.

What our sector desperately needs is continuity of support – this is not being provided by the farming orientated system of 7-year CAP cycle. If SG really wants their SFS delivered, a radical re-think is required, and a significantly larger financial commitment given to forestry.

Pests & Diseases

Chalara ash die-back may have been the media-focussed tree subject during the last year – and sadly this unstoppable disease is set to radically alter our landscape during the next decade or so – but Phytophthora ramorum in larch and Dothistroma needle blight in pine are having a major effect on our industry. It is noted that an extra £1m is being provided in the draft budget for 2014-15, and this is welcomed. It would appear that this has been added to the budget line of Programme Costs, inferring that this additional support will be delivered under state aids rules.

The catastrophic potential of the P ramorum outbreak in south west Scotland cannot be understated. There is scope for major disruption to industry, and a real threat of deforestation – the risk is that 5,000 hectares of private woodlands in the core outbreak area struck with the disease will not be replanted, with a consequent knock-on effect to future roundwood supplies. Many of the larch areas have potential for good productive softwood crops. There is a need to provide some further incentive to owners to replant, similar to what is being provided in England and Wales. Confor is aware that FCS have promoted this idea to Ministers, and we assume that the extra £1m in next year's budget is in part to provide for this, which is welcomed. However there is no indication that sufficient extra money is to be made available for the following year, when many of the affected larch sites should be replanted. We need a strong message now that significant extra funds will be made available possibly between £5m and £10m. This issue has already been compared to the last FMD outbreak. Significant compensation was paid for that, and SG have been able to find additional finances for farmers who suffered during the last winter. The situation is just as dire for forestry in Scotland, and it deserves a concomitant response from SG.

Woodland Creation - Approved & Pipeline at End May 2013 - hectares									
Woodland Creation - Approved	2009	2010	2011	2012	2013	2014	2015	2016	Total
Productive conifer - low cost	753	813	1517	662	400	296	0	0	4441
Productive conifer - high cost	0	61	167	31	14	187	0	0	460
Productive broadleaf woodland	19	27	111	27	98	48	0	0	330
Native woodland planting	675	2883	5345	5484	5303	2706	106	8	22510
Native woodland - natural regeneration	2	9	17	3	74	291	190	210	796
Mixed conifer/broadleaved woodland	139	705	488	369	190	106	0	0	1997
Northern & Western Isles Native Woodland				0	5	16	0	0	21
Central Scotland Mixed Woodland				355	491	455	0	0	1301
Total Woodland Creation - Approved	1588	4498	7645	6931	6575	4105	296	218	31856
Woodland Creation - Pipeline (Proposal Commit)	2009	2010	2011	2012	2013	2014	2015	2016	Total
Productive conifer - low cost				0	118	481	0	0	599
Productive conifer - high cost					0	30	0	0	30
Productive broadleaf woodland				0	0	8	0	0	8
Native woodland planting				0	126	451	0	0	577
Native woodland - natural regeneration				0	0	4	0	0	4
Mixed conifer/broadleaved woodland				0	1	27	2	0	30
Northern & Western Isles Native Woodland				0	0	5	0	0	5
Central Scotland Mixed Woodland				0	12	15	0	0	27
Total Woodland Creation - Pipeline (Proposal Commit)		0	0	0	257	1021	2	0	1280

Woodland Creation - Pipeline (Submitted but not committed) <i>Adjusted - 2013 schemes unlikely to go ahead moved to 2014</i>	2009	2010	2011	2012	2013	2014	2015	2016	Total
Productive conifer - low cost				0	33	2343	356	0	2732
Productive conifer - high cost				0	0	380	0	0	380
Productive broadleaf woodland				0	0	116	0	0	116
Native woodland planting				0	3	4018	230	0	4251
Native woodland - natural regeneration				0	0	19	0	0	19
Mixed conifer/broadleaved woodland				0	10	34	2	0	46
Central Scotland Mixed Woodland				0	5	341	0	0	346
Total Woodland Creation - Pipeline (Submitted but not committed)				0	51	7251	588	0	7890
Woodland Creation - Total Pipeline	2009	2010	2011	2012	2013	2014	2015	2016	Total
Productive conifer - low cost	0	0	0	0	151	2824	356	0	3331
Productive conifer - high cost	0	0	0	0	0	410	0	0	410
Productive broadleaf woodland	0	0	0	0	0	124	0	0	124
Native woodland planting	0	0	0	0	129	4469	230	0	4828
Native woodland - natural regeneration	0	0	0	0	0	23	0	0	23
Mixed conifer/broadleaved woodland	0	0	0	0	11	61	4	0	76
Nrthn & Western Isles Native Woodland	0	0	0	0	0	5	0	0	5
Central Scotland Mixed Woodland	0	0	0	0	17	356	0	0	373
Woodland Creation - Total Pipeline	0	0	0	0	308	8272	590	0	9170
Woodland Creation - GRAND TOTALS	2009	2010	2011	2012	2013	2014	2015	2016	Total
Productive conifer - low cost	753	813	1517	662	551	3120	356	0	7772
Productive conifer - high cost	0	61	167	31	14	597	0	0	870
Productive broadleaf woodland	19	27	111	27	98	172	0	0	454
Native woodland planting	675	2883	5345	5484	5432	7175	336	8	27338
Native woodland - natural regeneration	2	9	17	3	74	314	190	210	819
Mixed conifer/broadleaved woodland	139	705	488	369	201	167	4	0	2073
Northern & Western Isles Native Woodland	0	0	0	0	0	5	0	0	5
Central Scotland Mixed Woodland	0	0	0	355	508	811	0	0	1674
Grand Totals	1588	4498	7645	6931	6878	12361	886	218	41005

Annexe B

LETTER FROM THE CONVENER OF THE EDUCATION AND CULTURE COMMITTEE TO THE CONVNER OF THE RACCE COMMITTEE DATED 24 SEPTEMBER 2013

Mainstreaming climate change scrutiny of the Scottish Government's draft budget

Thank you for your letter suggesting ways in which the Education and Culture Committee, and other committees, could consider climate change issues when scrutinising the draft budget.

The Education and Culture Committee has an extremely tight timetable for scrutinising the Scottish Government's spending proposals (details of our [remit](#) are available here) and it is not practical to undertake meaningful scrutiny of climate change issues in the time available.

At best, the Committee would only be able to request information from the Scottish Government in line with the various suggestions outlined in the annexe to your letter. We would not be able to discuss any information received with other witnesses, who will be appearing in front of the Committee to talk about youth employability. This is a very substantial topic in its own right, and there is therefore a risk that any discussion of climate change would be tokenistic.

Ultimately, the Committee considers that our writing to the Scottish Government would not achieve anything substantially different from your committee contacting the Scottish Government directly. Indeed, we made similar comments in our report on last year's draft budget—

“The Education and Culture Committee wrote to both the Cabinet Secretary for Education and Lifelong Learning and the Cabinet Secretary for Culture and External Affairs for further information on how climate change considerations had been taken into account in the 2013-14 Draft Budget. The Committee will forward the responses to the RACCE Committee and invite it to consider whether, in future years, there would be more merit in it writing to relevant Cabinet Secretaries directly, rather than asking other committees to perform this role.”

We are, of course, fully aware of the importance of climate change issues but consider that we would not be able to contribute in any meaningful way to the discussion at this stage.

REPLY FROM THE CONVENER OF THE RACCE COMMITTEE TO THE CONVENER OF THE EDUCATION AND CULTURE COMMITTEE DATED 26 SEPTEMBER 2013

Thank you for letter of 24 September outlining the reasons why the Education and Culture Committee does not intend to participate in the mainstreaming of climate change scrutiny of the Scottish Government's Draft Budget 2014-15. I am writing to ask you to reconsider your committee's decision.

The RACCE Committee discussed your letter after its Committee meeting on 25 September and expressed unanimous disappointment at your committee's view.

In asking you to reconsider your committee's decision, I thought it may be helpful to set out the background to mainstreaming of the Scottish Parliament's climate change scrutiny and the benefits of it in terms of scrutinising the potential impacts of the Scottish Government's spending.

The mainstreaming of climate issues in the budget process has been endorsed by the Finance Committee and was welcomed last year by the Scottish Government. This was first conducted last year and every subject committee took part. This year, after reviewing the process, we have provided greater support to committees to assist their scrutiny, including providing suggested areas of questioning. No other committee has contacted us to indicate that they will not be taking part in the process this year.

The reasons behind the mainstreaming are clear. The impacts of climate change, and the work by the Scottish Government to mitigate these impacts, change behaviour, and adapt Scotland's infrastructure, land and resource use, cross every part of the Scottish Government's responsibilities, and therefore cross the remit of all subject committees in the Scottish Parliament. Whilst the broad climate change brief sits with the Minister for Environment and Climate Change, as he and others in the Scottish Government have consistently stated, all Ministers are considered to be climate change Ministers. The RACCE Committee does not have the opportunity to hear from each Cabinet Secretary and Minister during the time available for budget scrutiny, and therefore asks that each subject committee pursues important questions relating to the impacts of spending in the portfolio on climate change with their respective Ministers in their evidence sessions.

This approach is similar to the approach adopted on other cross-cutting issues, such as the consideration of equalities issues in the budget. The Scottish Government produces an Equality Statement which underpins that scrutiny and, similarly, the Government produces a carbon assessment of the draft budget, and also provides committees with a report detailing how the draft budget delivers measures to reduce Scotland's climate emissions. These documents also provide committees with a basis for their own climate change considerations. The latter document has not yet been published but is expected to be available shortly.

I appreciate that the scrutiny of the budget process is completed by all committees within tight time constraints, and I also understand that each committee needs to prioritise its available time as it sees fit in order to be most effective. However, the RACCE Committee does believe that it should be possible for committees to question witnesses and/or Government Ministers on climate issues within those time pressures and identified priorities.

I hope that the Education and Culture Committee will reconsider its decision not to participate in this important process. The officials from Clerking and SPICe that support the work of the RACCE Committee would be very happy to provide any further guidance and advice in terms of assisting your Committee in taking this forward.