

Cross-Party Group on Wood Panel Industry

Wednesday 15 June, 6.15pm

Minutes

Present

MSPs

- Fergus Ewing MSP
- Elena Whitham MSP
- Evelyn Tweed MSP
- Jim Fairlie MSP
- Fulton MacGregor MSP

- Ashley Atkins - Office of Edward Mountain MSP

Invited guests

- Dave Signorini - Chief Executive, Scottish Forestry

Non-MSP Group Members

- Steve Roebuck - Norbord
- John Paterson - Egger
- Mark Cummings - Invicta Public Affairs
- Richard Lyle - Invicta Public Affairs
- Eli Harji - Invicta Public Affairs
- Eilidh Deeney - Invicta Public Affairs

Apologies

- Colin Smyth MSP - Deputy Convener
- Stephen Kerr MSP - Deputy Convener
- Foyso Choudhury MSP
- Sharon Dowey MSP
- Maurice Golden MSP
- Finlay Carson MSP
- Mercedes Villalba MSP
- Emma Harper MSP

Agenda item 1

Welcome and introductions

Fergus Ewing MSP, Convener of the CPG, opened the meeting and thanked Members and industry representatives for attending. The Convener introduced Dave Signorini, Chief Executive of Scottish Forestry.

Agenda item 2

Scottish Forestry's work to deliver increased forestry investment

Dave Signorini thanked the Convener for the opportunity to present to the CPG. He highlighted that he felt positive about the future of the Scottish forestry sector, and that the Minister for Environment, Biodiversity and Land Reform, Màiri McAllan MSP, viewed forestry as a Scottish success story.

Dave Signorini observed that the industry was resilient and responded well to the pandemic.

On levels of woodland creation, Dave Signorini noted that the most recent statistics would be published on Thursday 16 June 2022 and while he was not able to comment on those, Scottish Forestry was delivering over 10,000 hectares annually, with a view to increasing this ambition to 15,000 per year, and then up to 18,000 hectares per year.

Dave Signorini outlined Scottish Forestry's aims to deliver the economic, environmental and social benefits of forestry. He added that the current divide between native and productive planting was at around 35 - 40% for the former and around 60% for the latter.

On growing Scottish Forestry's capacity, Dave Signorni set out plans for a modest expansion in response to increases in demand.

Looking ahead, Dave Signorini shared that Scottish Forestry is working to build better links with the construction sectors, with an aim to increase the use of forestry in construction. While acknowledging the need to minimise barriers to progress, he expressed optimism that that 18,000 hectare target per year would be achieved.

Agenda item 3

Question and answer session

The Convener asked Dave Signorini if he was confident that the funding made available by the Scottish Government to Scottish Forestry would be adequate to deliver Scottish Forestry's ambitions.

Dave Signorini confirmed he was confident that sufficient funding was in place to meet this year's target 15,000 hectare planting target. He added that a strong pipeline was in place for grant approvals.

Looking ahead, Dave Signorini noted that, while there were no guarantees, broad funding envelopes looked to be sufficient.

The Convener noted the target to 35 - 40% planting target for native species and emphasised the need to see an uplift in support for productive species.

Dave Signorini explained that Scottish Forestry had two targets. The first, to meet overall hectare per year targets, and the second to plant at least 4,000 hectares of native woodland to meet biodiversity aims. He added that he did not envision Scottish Forestry radically shifting from this position.

Elena Whitham MSP asked for comment on issues around competing land uses and tensions around farming and rising land prices. She additionally noted the fantastic work being done by Egger in East Ayrshire and the need to support a thriving wood panel industry.

Dave Signorini acknowledged that this was a sensitive topic for many and posited that it should not be an either / or situation. He noted that work was being undertaken by Scottish Forestry to assist farmers in diversifying less productive land, and that whole farm sales were a key issue.

The CPG discussed the influence of both timber and carbon on land prices and Dave Signorini confirmed that this was something that Scottish Forestry is looking at.

Elena Whitham MSP spoke about regenerative farming and the role of carbon sequestration. It was noted that planting trees was the only way to achieve this at scale, but that the right trees need to be planted in the right place.

Jim Fairlie MSP asked for further information on the work being done by Scottish Forestry to support farmers. and the Convener asked for further information on the work being done by Scottish Forestry to support secure tenant farmers specifically.

Dave Signorini said that Scottish Forestry recognised the difficulties facing tenant farmers in realising the benefits of trees on farms, and that work was being undertaken with the Tenant Farming Commissioner and Crown Estate Scotland on new models for woodland investment. He added that there was a need to offer farmers clear options in advance of sales.

The Convener asked for further detail to be provided on Scottish Forestry's work with tenant farmers, on the schemes already in place and those under consideration.

Jim Fairlie MSP asked about the difference between productive and native forestry with regard to their value. **John Paterson** and **Steve Roebuck** outlined that while both had value, industry relied upon productive timber, and that the sector was dealing with the consequences of planting undertaken between 20 and 30 years ago.

Jim Farlie MSP asked why there was such a concentration of forestry planting in the South of Scotland and the CPG discussed the restrictions on planting in the North due to higher levels of peat.

The Convener suggested that there was a need to educate the public on the benefits of productive planting, and asked what work was being undertaken to address negative public perceptions. Members of the CPG agreed that there was a need to challenge perceptions around productive forestry. Dave Signorini added that Scottish Forestry was working to build a set of case studies to demonstrate the positive effects of modern productive planting.

The Convener asked for further information about Scottish Forestry's recruitment plans and efforts to retain experienced staff. Dave Signorini acknowledged that recruitment was a constraint, but that work was underway to recruit new woodland officers, with efforts being made to offer attractive career packages and pathways.

Members of the CPG discussed the need for a longer-term strategy for Scottish forestry that would give increased confidence to the investment community. The CPG asked Dave Signorini for his views on and whether there was an intention to bring forward such a plan.

Dave Signorini noted that while Scottish Forestry could not provide certainty, he was confident in the future of the sector, adding that the Minister recognised the need for a balance between types of forestry and importance of productive planting.

The CPG discussed the need for a long-term plan for forestry - within the context of the Net Zero imperative - that would provide stakeholders with a clear vision to 2050, or perhaps further.

Agenda item 4

AOB and next steps

The Convener thanked Dave Signorini and his team at Scottish Forestry for all of their work.

The Convener suggested that it would be vital to make clear the role of Scottish forestry as a driver of the Scottish economy, and suggested that this could form the basis of a future debate.

In the meantime, the Convener suggested that the CPG should write to the Minister to seek a meeting to outline the CPG's views on the need for a longer-term approach to forestry in Scotland.

The Convener brought the meeting to a close.