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From Chapter 4: Land Management Programme

We propose a new Land Management Programme consisting of an Economic Resilience scheme and a Public Goods scheme. Do you agree these schemes are the best way to deliver against the principles?

1. **Yes** ✓ (but see comments below)
2. No
3. Unsure

If NO, what alternatives would be best?

The RFS welcomes a consultation that recognises the importance of forestry and farm woodlands to the economy and environment of Wales. We support the replacement of CAP and RDP with a single Land Management Programme based on the proposed principles, in particular those that aim to ensure that forestry is prosperous and resilient, that forest owners can access the new scheme and that the scheme will encompass payments for both economic activity and stewardship of public goods.

An early decision on the initial balance of funding between the Economic Resilience and Public Goods schemes is essential, as this will be important in determining the early outcomes of the programme.

Question 2 of 20

From Chapter 4: Land Management Programme

Does the Welsh Government need to take action to ensure tenants can access new schemes?

1. **Yes** ✓
2. No
3. Unsure

If YES, what action would be best?

Farm tenants do not typically manage woodland or have the right to plant trees under the terms of tenancy agreements. Any change to current practice would have to be a voluntary agreement between land owner and tenant.

Question 3 of 20

From Chapter 5: Economic Resilience

From your experience of current programmes, what do you feel would work well for the future?

Feedback from RFS members across Wales shows near-universal dissatisfaction and frustration with recent forestry-related grant schemes including Glastir. The schemes have been characterised by lack of continuity, impracticality and inflexibility. Any future scheme needs to be simple, flexible and support rather than frustrate the land manager's objectives where these are based on sound and sustainable management principles. It is vital that the lessons are learnt from the failure of recent grant schemes when designing the practical application of the Land Management Scheme.

Question 4 of 20

From Chapter 5: Economic Resilience

Do you agree with the focus of the Economic Resilience scheme being on growing the market opportunities for products from the land throughout the supply chain, rather than restricting support to land management businesses only?

A good proportion of the unmanaged woodland in Wales is locked-in due to lack of access for timber lorries and forwarders to extract the timber. A severe shortage of forestry contractors and local timber processors is also restricting the volume of sustainably produced timber and woodfuel reaching the market. Forestry contractors are typically sole traders and are often undercapitalised. An economic resilience scheme which invests in forestry roads and processing equipment at all levels will help bring more timber to market, create jobs and underpin the economic and ecological resilience of woodland in Wales. This should be supported by policies which incentivise the use of timber in construction in Wales, and investment in biomass which can substitute for less environmentally sustainable products.

However, it is possible that most of the support (financial and other) would be given to primary and secondary processors and producers, with relatively little going to landowners / land managers. This would not be desirable (not least because the former depend on the latter for their raw products).

Question 5 of 20

From Chapter 5: Economic Resilience

Are the five proposed areas of support the right ones to improve economic resilience?

1. Yes ✓
2. No
3. Unsure

Are there any areas which should be included but currently are not?

The five areas are sufficient.

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From Chapter 5: Economic Resilience

Of the five proposed areas for support, which are the priorities, both in terms of funding, and the sequence of delivery? For example, are certain measures needed in advance of others?

Priority 1. Increasing market potential and productivity: *i.e.* areas (i) and (ii)

Priority 2. Knowledge exchange, skills and innovation: *i.e.* area (v)

There is a significant opportunity to increase the economic value of forestry in Wales by bringing unmanaged woodland back into management and by woodland creation on marginal land.

Currently 43% of woodland in Wales of 38k ha is unmanaged. The RFS estimates that an increase in the area under management from 57% to 75% would generate £1m a year incremental income for the Welsh economy and create an additional 20 jobs.

Removing the economic and regulatory barriers to woodland creation on marginal farmland would create significant economic benefit for the rural economy, help farmers diversify incomes and provide extensive public benefit in terms of carbon sequestration, flood control, water quality and biodiversity.

For these reasons the first priority should be to increase the economic potential. However this will not happen without a parallel investment in knowledge transfer, skills and innovation (see question 7).

Question 7 of 20

From Chapter 5: Economic Resilience

Should we be investing in people, for example to bring in new ideas, skills and people into land management and the supply chain in Wales?

1. **Yes** ✓
2. No
3. Unsure

If YES, how should we look to do this?

Investment in knowledge transfer and skills is vital to the future prosperity and resilience of the rural economy in Wales. In 2017 the RFS published [A Forestry Skills Study for England and Wales](#) which identified gaps in the supply and demand of forestry skills at all levels and made recommendations for action. This report is the basis for a [Forestry Skills Action Plan for England and Wales](#) which sets out what needs to happen to address the skills gaps and who should lead the process. The Welsh government should embrace and support this action plan.

Farmers' level of knowledge and understanding of forestry and woodlands is generally very low. There is a significant knowledge transfer challenge to equip farmers with the knowledge and confidence to take advantage of the farm woodlands currently in their ownership and to assess the potential for woodland creation. Organisations like the RFS, whose purpose is knowledge transfer and skills development, can play a very key role in making this happen. The Welsh government can help facilitate connecting farmers with organisations like the RFS.

Question 8 of 20

From Chapter 6: Public Goods

We have set out our proposed parameters for the public goods scheme. Are they appropriate?

1. Yes
2. No
3. **Unsure** ✓

Would you change anything?

1. Yes
2. No
3. **Unsure** ✓ (see comments below)

If YES, what?

The scope of the scheme (Parameter 1) encompasses the key public benefits produced by forests and woods, but are not all described accurately. For example, the text on “*Decarbonisation and climate change adaptation*” deals mainly with climate change mitigation, while “*Heritage and recreation*” are not always public goods. Air quality is not mentioned, but is particularly important in urban areas

The principle of the scheme being open to all (Parameter 2) is welcome. Artificial woodland area thresholds for grant eligibility and excluding trees outside woods, or agroforestry schemes in England have restricted woodland management and opportunities for farm income diversification. There should be no such barriers in the new scheme in Wales.

The additionality requirement (Parameter 5) is reasonable, but it is not entirely clear what is meant by “continuing appropriate management activity”. PES (payments for ecosystem services) and payment-for-public-goods schemes can reward those who improve their management practices (which may have been quite poor previously), while disadvantaging owners who are already delivering these services

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From Chapter 6: Public Goods

This scheme is meant to offer land managers the opportunity to access a significant new income stream as the BPS comes to an end. How could we improve what is being proposed to attract land managers whilst still achieving our vision and objectives?

The RFS supports an outcomes-based scheme. There has been a policy bias in favour of native broadleaved trees which has nothing to do with a focus on environmental outcomes and has often driven poor or sub-optimal results. The Land Management Scheme is an opportunity to introduce a more forward-looking approach which recognises the importance of non-natives species in climate change adaptation, flood attenuation and carbon sequestration, as well as supporting the rural economy. A test of the government’s resolve to stay true to the principles outlined in the proposed scheme is whether restocking and woodland creation schemes are approved on the basis of environmental outputs today and under projected climate conditions, not species bias.

Pilot studies which (1) develop valuation methods and (2) quantify the costs and benefits of a range of options / scenarios are needed.

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From Chapter 6: Public Goods

Are there any other Public Goods which you think should be supported?

1. Yes ✓
2. No
3. Unsure

If YES, why?

Education – so that people understand the benefits that the land of Wales provides, and can pass that understanding on to future generations.

Health and well-being (only mentioned briefly under “Heritage and recreation”) – important in its own right and in relation to the Well-being of Future Generations Act.

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From Chapter 6: Public Goods

A number of public goods could potentially take several years, sometimes decades, to be fully realised. E.g. carbon sequestration through broad leaf trees. To deliver on these, land managers may need to enter into a long term contract. How do you see such agreements working? What do you see as the benefits or disadvantages to such agreements?

Long term agreements are essential for most woodland management schemes, and have been a common feature of grant schemes. A 10-year woodland management grant is already a feature of the Countryside Stewardship scheme in England and the Farm Woodland Premium Scheme was a 15-year agreement.

There are an increasing number of large scale woodland creation projects that are made economically feasible due to the ability to trade the carbon dioxide that will be captured over the long term (65 years in one case) by the forest with carbon credits from businesses taking voluntary action on their own carbon footprint.

It is recommended the Welsh government assesses these existing forestry schemes with a view to adopting them in Wales.

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From Chapter 6: Public Goods

A collaborative approach to delivering public goods may in some instances provide better value for money than isolated activity. How could the scheme facilitate this approach? How could public and private bodies contribute to such partnerships?

Forestry co-operatives and community forests are common in continental Europe but have proven difficult to establish successfully in the UK. Collaborative approaches such as these bring proven benefits of economies of scale and access to markets and skills, and would help bring more timber and woodfuel to market. The government should promote and encourage collaborative woodland management by for example investing in knowledge transfer and supply chain infrastructure, but such schemes should be self-sustaining. Grants could be given to cover the additional costs of collaboration (e.g. landscape-scale baseline data collection, writing of landscape-scale management plans, ongoing landscape-scale monitoring).

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From Chapter 6: Public Goods

Some actions can deliver multiple public goods in the same location. For example, peat bog restoration can have benefits for carbon sequestration and flood risk reduction. However, some locations could be suitable for multiple public goods from different activities. For example, one location may be suitable to either plant trees for carbon sequestration, or to revert to wetland for biodiversity. How could locations for single, multiple or competing benefits be prioritised?

Prioritisation of Countryside Stewardship grant applications in England on the basis of a scoring system has proven to be a significant barrier to participation. Land managers will not invest the considerable time and resources required to submit a grant application without confidence that it will be accepted in principle. It is best to avoid this approach. The landowners' management objectives should be the starting point for any land management plan.

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From Chapter 6: Public Goods

Given that support for the delivery of public goods will be a new approach in Wales, there will be a requirement for a significant amount of training and advice for the sector. How best could this training and advice be delivered? Which areas of the sector need the most attention?

See answer to question 7.

It is likely that trainers and advisers will themselves need some education and training, particularly in the nature of public goods and their valuation.

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From Chapter 6: Public Goods

Private investment in the purchase of public goods is already happening, but at a relatively small scale. How could the new scheme promote greater involvement from the private sector? What are the barriers to this type of investment?

See answer to question 11.

Question 16 of 20

From Chapter 8: Transition, delivery and legislation

What are your comments on the phased transition period and our ambition to complete the changes by 2025?

A phased transition period sounds sensible in principle, and the period 2020 to 2025 should be used to set up pilot studies, develop valuation methods, and cost a range of options (see answer to question 9).

However, there is a real danger that there will be an interruption in support if changes are not completed until 2025. How many forestry schemes in the current RDP “*involve ... funding until 2023 and beyond*” (para 8.14)? Forestry in Wales cannot afford a potential five-year gap in support.

Any long-term commitments made between 2020 and 2025 must be honoured (as well as those made under the current RDP and legacy schemes).

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From Chapter 8: Transition, delivery and legislation

What is the most appropriate way to phase out the Basic Payment Scheme to start implementation of the new schemes?

No comment.

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From Chapter 8: Transition, delivery and legislation

How can we simplify the current administration and delivery of the Basic Payment Scheme during the phased transition period?

No comment.

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Welsh Language standards

Will the proposed land management programme have any effects (either positive or adverse) on:

- opportunities for persons to use the Welsh language;
- treating the Welsh language no less favourably than the English language?

No comment.

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Do you wish to make any further comments?

No.