



**Future Woodlands Scotland**  
Innovative Thinking for Native Woodland

## Future Woodlands Fund

### What is Future Woodlands Scotland?

Future Woodlands Scotland is a charity set up to encourage innovative thinking for native woodlands.

Since 2016, our Research and Innovation Grants have been supporting environmental organisations, academic institutions, individuals and policy makers to develop a deeper understanding of native woodlands and their impact on climate change and biodiversity.

In March 2021 we launched the Future Woodlands Fund (FWF) - a new, simple to access, funding programme to support land managers who wish to establish new native woodlands or to restore former woodland sites in Scotland.

### What is the Future Woodlands Fund?

The FWF is piloting an incentive-based approach aimed at encouraging the establishment of new native woodland and the restoration of 'ghost woodlands' - degraded former native woodlands that have high ecological potential.

We have three guiding principles for this fund:

- ❑ **Climate change** - mitigation and adaptation
- ❑ **Wildlife** - ecosystem protection, enhancement and resilience
- ❑ **People** - partnership working and collaborations that deliver social benefits

The FWF is designed to reduce barriers to native woodland creation by providing free advice and financial incentives. We offer **simplicity** and **certainty** for land managers, working alongside the Scottish Government Forestry Grant Scheme (FGS) and the Woodland Carbon Code (WCC).

The Future Woodlands Fund is being delivered with £2m financial support from bp. At the end of the pilot period, we will review the impact of the FWF, and, if successful, we will use it as a model for an ongoing programme with significantly increased financial investment.

### How does it work?

The FWF pilot is being delivered over a three-year period. Applications can be made at any time, but early submission is advised as this is a competitive fund.



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## What are the options?

Three options are currently open to applicants:

### 1. Woodland Creation (3-5 hectares) – Small Woods Area Payment Option

This option offers financial certainty for land managers, with upfront area payments to ease cashflow at implementation. It also helps support future work on nature-based solutions for climate change in Scotland. For more information see our [Small Woods Area Payment FAQ](#).

#### **Financial Incentives:**

- Full cost of developing a Forestry Grant Scheme application.
- Area payment of £3500/ha paid in two stages – 75% to assist with establishment works and 25% on completion of planting.

#### **Woodland Carbon:**

- All carbon units generated by the scheme are owned by Future Woodlands Scotland.
- All Woodland Carbon Code requirements are managed by Future Woodlands Scotland.
- Revenue raised from the sale of carbon units is reinvested in further charitable support for woodlands in Scotland.

#### **Agreements:**

- Future Woodlands Fund agreement (55 years). Claims to be submitted for area payments at commencement and completion of establishment works.
- Forestry Grant Scheme contract (20 years).

### 2. Woodland Creation (3-100 hectares) – Carbon Ownership Option

This option allows land managers to retain the carbon sequestered by their woodland as an asset, allowing them to make choices about how they manage their carbon in a developing market and changing regulatory environment. For more information see our [Carbon Ownership Option FAQ](#).

#### **Financial Incentives:**

- Full cost of developing a Forestry Grant Scheme application.
- Full cost of developing a WCC application, including Registration and Validation.

#### **Woodland Carbon:**

- Woodland Carbon Code requirements are managed by Future Woodlands Scotland until Validation<sup>1</sup> has been completed (i.e. after planting).
- Carbon units generated by the scheme are registered in the name of the land manager.
- Land manager is responsible for ongoing Woodland Carbon Code verifications<sup>2</sup>.

#### **Agreements:**

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<sup>1</sup> **Validation** is the initial assessment of a project against the WCC by an accredited body. It is carried out after planting.

<sup>2</sup> **Verification** is the ongoing evaluation of a project by an accredited body to assess its carbon sequestration. It is carried out at year 5, and then every 10 years.

- Future Woodlands Fund agreement (terminates after WCC validation completed).
- Forestry Grant Scheme contract (20 years).

### 3. Ghost Woodlands Option (> 3 hectares)

Ghost woodlands are relicts of old, or ancient woodlands, where less than 20% of the canopy cover remains. Although these woods are 'dying on their feet', they have a high ecological and conservation value. This option helps land managers to protect and regenerate these special sites. For more information see our [Ghost Woodlands Option FAQ](#).

#### Financial Incentives:

- Full cost of developing a Forestry Grant Scheme application.
- Funding to top up Forestry Grant Scheme towards actual costs, awarded on a case-by-case basis.
- Full cost of developing a WCC application, including Registration and Validation.

#### Woodland Carbon:

- Woodland Carbon Code requirements are managed by Future Woodlands until validation<sup>1</sup> has been completed (i.e. after planting).
- Carbon units generated by the scheme are registered in the name of the land manager.
- Land manager is responsible for ongoing Woodland Carbon Code verifications<sup>2</sup>.

#### Agreements:

- Future Woodlands Fund agreement (terminates after WCC validation completed).
- Forestry Grant Scheme contract (20 years).

### FWF options for woodland creation – summary of key features

Key features	Small Woods Area Payment Option	Carbon Ownership Option
Forestry Grant Scheme application costs covered	Yes	Yes
Ownership of carbon	Future Woodlands Scotland	Land Manager
Woodland Carbon Code Registration and Validation <sup>1</sup>	Future Woodlands Scotland	Future Woodlands Scotland
Woodland Carbon Code Verifications <sup>2</sup>	Future Woodlands Scotland	Land Manager
Area payment total	£3,500/ha	N/A
Area payment schedule	75% at commencement 25% on completion	N/A
Future Woodlands Fund Contract period	55 years	Until WCC initial validation is completed

## Who can apply?

Any land manager who has a potential scheme that can meet **all** of the essential criteria and one or more of the supplementary criteria can apply:

### Essential Criteria

Applications must meet all of these to be eligible for the FWF

1. The application must be for native woodland establishment or restoration of a formerly wooded site<sup>1</sup>
2. The scheme must meet the minimum and maximum sizes for the Option<sup>2</sup>
3. It must be a new scheme
4. The land must be registered for Rural Payments with the Scottish Government
5. The planting must not be a legal requirement<sup>3</sup>
6. The scheme must be eligible for the Woodland Carbon Code and meet the Code's additionality criteria<sup>4</sup>
7. The scheme must be eligible for the Forestry Grant Scheme
8. The scheme must meet one or more of the Supplementary Criteria below
9. The applicant must be prepared to sign a FWS agreement

Notes:

1. For restoration, the site must:
  - Be recorded on the Ancient Woodland Inventory. (Find out about your site by checking the Ancient Woodland Inventory layer on [Scotland's Environment Map](#) . Exceptions may be made for sites that are not on the Ancient Woodland Inventory if there is other evidence of ancient status,
  - Have had less than 20% woodland canopy cover for at least the past 25 years,
  - Show some evidence of seedling regeneration,
  - Currently be subject to high browsing impacts from deer and/or livestock.
2. Exceptions may be made for high-quality schemes.
3. See Test 1 (Legal) on [this](#) link.
4. See [this](#) link for information.

### Supplementary Criteria

These are scored criteria that will be used to assess quality and to rank/prioritise projects

Nature Based Solutions for climate change

- Improve ecological and habitat robustness - especially woodland habitat networks and connectivity.
- Increase carbon stores through halting degradation and loss of native woodland.
- Contribute to catchment scale river quality and natural flood management.

Woodland Expansion:

- Be located within one or more identified target areas for woodland expansion and conservation.
- Deliver objectives in regional or local woodland strategies (including National Park woodland strategies).
- Contribute to a collaborative or landscape scale projects.

Support for farmers:

- Help farmers to reduce emissions and adapt practices to tackle climate change.
- Integrate woodlands with farming.

Provision of Social Benefits:

- Promote and offering opportunities for community and corporate engagement
- Offer future opportunities for recreation, amenity and landscape

### How to apply?

An on-line application form is available [here](#) on our website. Applications can be submitted by land owners/managers, or by agents acting on their behalf

Once an on-line application has been received, Future Woodlands Scotland will carry out an initial desk-based assessment. We, or an agent appointed by us, will then visit the site to confirm suitability, and discuss landowner/manager objectives.

### Stay in touch

Please sign up [here](#) to our mailing list.