

2014/15 Statement on Sustainable Economic Growth

FCS has supported sustainable economic growth by ensuring Scottish timber maximises its economic potential through encouraging continued investment in processing, promoting timber use and increasing the efficiency and reducing the environmental impact of the supply chain. We also enhance the sustainable economic basis for forestry and develop the economic potential of Scotland and its regions, including the economies of fragile rural communities. We help to add value to the Scottish tourism industry and to improve the skills base of the forestry sector.

The 2014 Commonwealth Games in Glasgow attracted attention from across the world. The Forestry sector's lasting contribution to the 2014 Games legacy comprises a network of 14 Commonwealth community woodlands in and around Greater Glasgow along with an associated walks programme with 'Paths for All'. The FCS Woods for Health programme continues to attract recognition of its aspiration to improve health through woodland greenspace environments. During the year our Branching Out programme won the Physical Activity and Health Alliance (PAHA) NHS Scotland award, whilst Larbert woods adjacent to the Forth Valley Royal Hospital was shortlisted for the PAHA Environment award.

The National Forest Land Scheme continues to play a key role in transferring public assets. During the year several communities took ownership of a local area of forestry including Aigas, Inverness-shire and Kirkton, Loch Carron.

Annual timber production continues to increase to record highs, reaching 8.6million cubic meters over bark standing in 2013.

There continues to be a healthy demand for the Strategic Timber Transport Fund (STTF), including the Timberlink Argyll to Ayrshire public service contract shipping operation. The STTF scheme will continue in 2015/16.

This year saw significant progress on developing guidance and support to help forest managers protect and improve the natural environment. The importance of managing woodlands to benefit native species was underlined in work to create red squirrel refugia, helping red squirrel populations to recovering areas blighted by squirrelpox.

The new Scotland Rural Development Programme has opened for business, with support for forestry activities via a bespoke Forestry Grant Scheme. This includes a wide range of forestry options.

Tree Health has been an area for concern this year. Aerial surveillance of *Phytophthora ramorum* infections on larch confirmed early indications that 2014 would not see a repeat of the previous year's large scale expansion of the disease in south west Scotland. Increased surveillance capacity and expertise has also led to increased detection of *Chalara* in the wider environment in the south eastern half of Scotland. However, it remains

likely that this fungal pathogen will remain significantly under-reported as it can be extremely hard to spot in the earliest stages. To-date Dothistroma Needle Blight has been detected in over 11,000 ha of pine woodland on the national forest estate and currently remains a serious cause of concern to the forest tree nursery sector. Surveillance has also been carried out on the Pine Tree Lappet Moth, *Phytophthora austrocedri* and *Phytophthora Lateralis*. As part of ongoing efforts to harness citizen science potential in tackling tree health issues a completely revamped 'Tree Alert' tool was launched and dove-tailed with the launch of 'Observatree'.