

# Flow Country 2045 Vision Workshop Report

Aspirations and visions for a sustainable net-zero circular economy

NOVEMBER 2020













Landscapes as Carbon Sinks



# **Executive summary**

The Flow Country, which is located in the North of Scotland, is the largest blanket peatbog in Europe. It is an important wildlife habitat and stores 400 million tonnes of carbon – more than double the amount in all of Britain's woodlands. This makes it vital for both biodiversity conservation and climate change mitigation. The Peatland Partnership and the Landscapes as Carbon Sinks project, together with several partner organisations, convened this stakeholder workshop in November 2020 to work towards a 2045 Vision for the Flow Country Landscape. The objectives of the workshop were to:

- I. Understand and create consensus on the Flow Country landscape vision
- II. Identify business and financing opportunities that support the landscape vision
- III. Scope out ideas for a pathway to Net Zero 2045 in the landscape

25 stakeholders representing 13 different sectors attended the event and participated in a range of discussions. The workshop was split into 3 main discussions:

- I. The importance of different benefits from the landscape in 2045
- II. The landscape features required to support these benefits
- III. Initiatives to focus on in the near-term as a pathway towards this vision

The participants were first asked to rank 15 of the key benefits delivered by the Flow Country Landscape. Climate change, biodiversity and employment were the top three benefits that were identified as key priorities by most of the participants with one participant stating: "Biodiversity is the glue that holds everything together!" The rest of the landscape benefits and their order of priority, according to the participants, are presented in Figure 1.

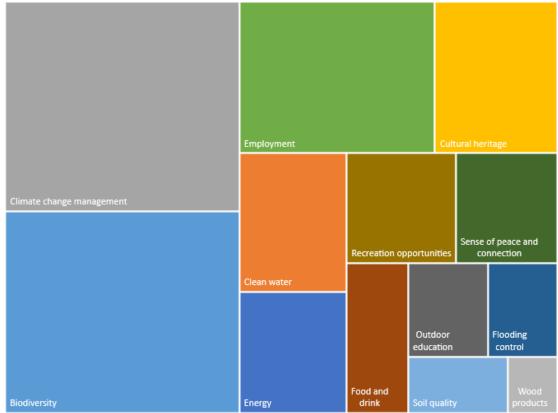


Figure 1: 2045 landscape benefits by total number of votes

After identifying the key benefits, participants discussed 15 landscape features that could support these benefits. There was a consensus that people wanted to see more peatland restoration in the area to mitigate climate change and protect biodiversity. There was support for increasing: native woodlands; local businesses; recreation infrastructure; crofts; repeopling; and the zoned use of the landscape. For rural communities; farming; and tourist infrastructure the emphasis was on strengthening and enhancing the benefits for local communities rather than









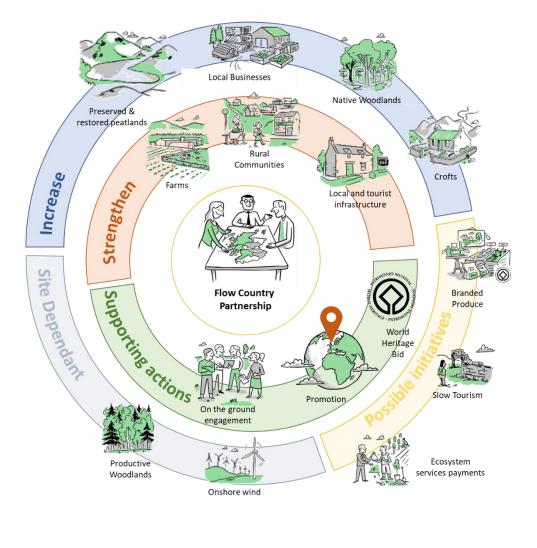
a dramatic increase. The suitability of sites for onshore windfarms and productive woodlands was seen as a limiting factor but both were identified as important source of livelihoods and resources.

The clear takeaway message from the group discussions was the shared vision for a multi-use landscape, where a balance should be reached among all the different uses. As one of the participants pointed out "We need to focus on the areas that we agree upon and work together to achieve them."

Participants were then asked to identify and discuss the three top initiatives that should be at the heart of achieving the 2045 Vision for the Flow Country. The current status, future opportunities and next steps were discussed for the following initiatives: (1) Carbon payments – landscape scale finance programme to support capacity building of peatland restoration and inclusion of small-scale landowners; (2) Sustainable land use – bringing together people and ideas to create a local expertise cluster on sustainable land use and to pilot local bioeconomy ideas; (3) Attracting natural capital investment – raise profile of unique characteristics of the area and look at investment for targeted ecosystem services such as water quality. These initiatives were highly interlinked with supporting initiatives identified, such as creating and developing a Flow Country brand; possibilities for slow tourism; promoting and incentivising a wide range of ecosystem services beyond carbon through further developing the Peatland Code.

Finally, next steps for the Flow Country and for the Peatland partnership were identified. The Peatland Partnership will assess how they can help take forward recommendations from this process, including consideration of a name change to the Flow Country Partnership to broaden appeal and mandate; and the local community and business engagement process needed to take this forward. This increased engagement was thought to be very important to creating an integrated vision for the whole landscape and stakeholders.

Figure 2: Workshop vision elements for the Flow Country

















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# Context

# Background to the Flow Country



The Flow Country is a vast expanse of blanket bog in the North of Scotland. Blanket bog is a rare type of peatland which forms only in cool places with plenty of rain and covers the landscape like a blanket. The blanket bog of The Flow Country stores an incredible amount of carbon (400 million tonnes, more than double the amount in all of Britain's woodlands!) and healthy blanket

bog continuously removes carbon from our atmosphere. These peatlands also act as a natural filtration system for the rivers and streams that run off it, thereby providing cleaner waters for our fish and other aquatic wildlife.

Peatlands are for people as well as wildlife. It's hard to grow crops on the wet bog itself, but in the wide, shallow valleys that cut through it – called straths in Scotland – <u>people have lived and farmed for thousands of years</u>. Today, The Flow Country is being managed to encourage community and economic development, as well as to benefit the peatland environment. You'll find thriving communities along the straths and around the edges of the rolling moorland, and fascinating <u>stories of how people live and work alongside the peat bog</u>.

The Peatland Partnership is in the process of submit a full nomination to UNESCO for World Heritage Site status for the Flow Country. This will take between 18 months and 2 years to complete.

### Background to the Peatland Partnership

The Peatlands Partnership includes Scottish Natural Heritage, Forestry and Land Scotland, Scottish Forestry, The Highland Council, RSPB Scotland, Plantlife International, the Environmental Research Institute (University of the Highlands and Islands), Highland Third Sector Interface, the Flow Country Rivers Trust, Northern Deer Management Group and Highlands and Islands Enterprise. It is chaired by Professor Stuart Gibb, Vice-Principal of UHI and Director of the ERI.

The Peatlands Partnership was formed at the end of 2006 following the completion of the EU LIFE funded Peatlands Project and aims to develop and build on that project. The Partnership comprises 'core' organisations, together with other interested organisations and individuals, who will carry out and support the objectives set out in the Management Strategy document, 'The Peatlands of Caithness and Sutherland'.

The current activities of the Partnership include revision of the Peatlands Management Strategy and as a forum for taking forward the possible listing of the Flow Country as a World Heritage Site.















### Background to the Landscapes as Carbon Sinks Project

Landscapes as Carbon Sinks is a Deep Demonstration programme of EIT Climate-KIC. The project supports those tasked with delivering change in the land sector to design systemic transformations towards of Scotland Net Zero target. Landscapes as Carbon Sinks is a collaboration between ECCI, <u>EIT Climate-KIC</u>, the University of <u>Edinburgh's</u> <u>Centre for Sustainable Forests and Landscapes</u> (CSFL), and a number of European partners: ETH Zurich, INRAE, ONF International, The Nature Conservancy, Wageningen Research, and WWF Landscape Finance Lab.

### Overview of partner organisations



EIT Climate-KIC is a Knowledge and Innovation Community that aims to deliver a prosperous, inclusive, climate-resilient society founded on a circular, zero-carbon economy. Climate-KIC is supported by the European Institute of Technology, an EU body.

ECCI believes in making things happen. Its work is fuelled by inhouse expertise and networks of thought leaders across government, business and academia. Together they power cuttingedge public policy, innovative low carbon businesses and projects, and professional education to deliver real change.



The Centre for Sustainable Forests and Landscapes works with a wide range of partners in Scotland, Europe, and globally to provide the critical interdisciplinary knowledge to deliver sustainable landscape management and policy development.



LANDSCAPE FINANCE LAB The mission of Wageningen University & Research is to explore the potential of nature to improve the quality of life. The strength of Wageningen University & Research lies in the combined efforts of the various fields of natural and social sciences.

The Landscape Finance Lab is an innovation unit of the global conservation organisations WWF established to help structure and finance sustainable landscapes.















# Workshop objectives

- I. Understand and create consensus on the Flow Country landscape vision
- II. Identify business and financing opportunities that support the landscape vision
- III. Scope out ideas for a pathway to Net Zero 2045 in the landscape



Figure 3: The area outlined in red below was used to guide the scope of discussions.

# Workshop agenda

Time	Activity
10:00 - 10:20	Check-in and introduction
10:20 - 10:45	Small group discussion: Benefits from the landscape
10:45 – 10:55	Review of group discussion
10:55 – 11:05	Break
11:05 - 11:30	Small group discussion: Features of the landscape
11:30 - 11:40	Review of group discussion
11:40 - 11:50	Circular bioeconomy presentation
11:50 - 12:00	Opportunity identification
12:00 - 13:00	Lunch break
13:00 - 13:15	Recap
13:15 – 14:15	Small group discussion: Opportunities
14:15 - 14:45	Opportunity summaries and discussion
14:45 - 15:00	Next steps











# Attendees list

# Flow Country stakeholders

- Anna Patfield, Planet Sutherland
- Brigid Primrose, NatureScot
- James Plowman, NatureScot
- Janet Bromham, Loch-side Associates
- Kenna Chisholm, RSPB Scotland
- Thomas MacDonnell, Wildland Limited
- Eann Sinclair, HIE
- Joyce Campbell, Armadale Farm
- Renee Kerkvliet, IUCN Peatland Programme
- Emma Goodyer, IUCN Peatland
   Programme
- Stephanie Conesa, Scottish Renewables
- Roxane Andersen, ERI
- Alan Younie, SGRPID
- Tom Campbell, North Coast 500 Ltd
- Magnus Davidson, UHI
- Eleanor Garty, Woodlands Trust Scotland
- Thomas Plant, SSE Renewables
- Gearoid Murphy, NatureScot
- Brian Match, SGRPID
- Matthey Hay, Forest Carbon
- Nathalie Kwok, NatureScot
- Karen Anderson, SSE Renewables
- Calum Murray, Tilhill
- Graham Neville, NatureScot
- Tom McKenna NatureScot
- Joe Perry, Highland Council

### Figure 4: Some of the workshop attendees

# Organising team

- Paul Chatterton, WWF Landscape Finance Lab – Main facilitator
- Deesha Chandra, WWF Landscape Finance Lab – Technical support
- Jim Stephenson, Terranomics Group facilitator
- Jaboury Ghazoul, University of Edinburgh and ETH Zurich Group facilitator
- Hester Robertson, University of Edinburgh
   Group facilitator
- Galina Toteva, University of Edinburgh Group scribe and technical support
- Nicole Ponta, ETH Zurich Group facilitator
- Eliane Steiner, ETH Zurich Group scribe
- Jonathan Morley, University of Edinburgh -Group facilitator
- Raymond Schrijver Wageningen Research Group scribe
- Loes Huibers, Wageningen Research Group scribe
- Zoltan Varga, Finance













# Methods

25 stakeholders representing 13 different sectors, including the environmental, energy, forestry, farming, crofting, governmental and higher education sectors, attended the workshop. (Figure 5). Representatives from local businesses were also invited but did not attend. Two online platforms were used to support the facilitation of the workshop: Zoom (a video conferencing tool) and Miro (a virtual white board).

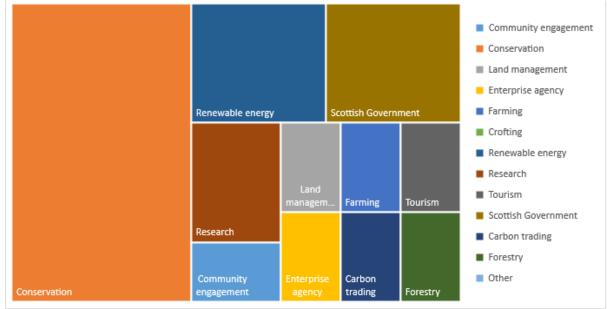
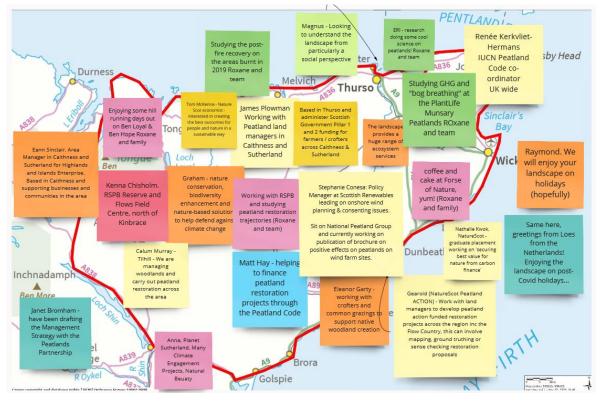


Figure 5: Workshop attendee by sector

The event started with an introduction from the main facilitator, Paul Chatterton. This was followed by an icebreaker prompting the participants to share what they do you do in the landscape and what the landscape does for them.















The workshop was divided into 2 sessions: morning and afternoon with a lunch break in between.

The **morning session** included two activities in breakout sessions. There were 5 groups with 5 to 7 participants in each together with a facilitator and a scribe. The group discussion was followed by a collective debrief, where the facilitators reported back on the key points that were raised in each room.

# Activity 1: Flow country benefits in 2045

15 landscape benefits were presented to the participants<sup>1</sup>. They had to allocate 10 points each to the benefits within 5 minutes. Participants could allocate as many points as they wanted to the benefit they found the most important, as long as the total sum added back to 10. 20 minutes were spent on group discussion to identify the areas where there was consensus and the areas of disagreement.

### Activity 2: Flow country features in 2045

In this 25-minute session participants were presented with 15 potential landscape features<sup>1</sup> that could support the benefits outlined in Activity 1. The following guiding questions were used to shape the discussion around each feature:

- I. Why is it important to discuss today?
- *II.* Where should the feature go on the scale?
- III. What is happening?
- *IV.* What are the opportunities and required conditions?

Features could be placed along a sliding scale that ranged from "none at all" to "need a lot more of". This time, agreement had to be reached as a group. Between 2 and 14 features were discussed in depth, depending on the group. If the group were unable to reach agreement the landscape feature was placed in the "undecided" box.

# Activity 3: Initiative Identification

During the **afternoon session** participants had to identify the three topics out of a total of nine that they wanted to explore in further detail. The participants voted individually and anonymously on the following 9 themes: **carbon payments**; **sustainable land use**; sustainable housing; development and construction; local wood processing; small scale onshore wind energy; food and drink; **attracting natural capital investment**; peatland restoration; infrastructure for sustainable tourism; and hospitality. Topics in bold were selected for further discussion as they acquired the most votes.

There were 3 groups with a varying number of participants in each around the topics of (1) **carbon paments**; (2) **sustainable land use**; (3) **attracting natural capital investment**. Participants spent 1 hour discussing the following questions:

- I. What is the initiative and how does it contribute to the landscape vision?
- *II.* What is the current status?
- *III.* What are the future trends and opportunities. How do we realise them? How do we engage communities?
- *IV.* What are the next steps to make this happen?

This was concluded with a final a plenary session where the ideas from all breakout groups were brought together. Synergies among the different groups were discussed and next steps were suggested.











<sup>&</sup>lt;sup>1</sup> De Vries Lentsch, Aster; Metzger, Marc J. (2018). STREAMLINE - a visual interview methodology that makes semistructured interviews, focus groups and stakeholder workshops more fun and accessible, [dataset]. The University of Edinburgh. https://doi.org/10.7488/ds/2437

# Outcomes

# Activity 1: Flow country benefits in 2045

Participants were encouraged to reflect what are the most important benefits that they get from the Flow country landscape. There was an overwhelming consensus that climate change mitigation and biodiversity conservation were of utmost importance. 88.9% and 81.5% of the participants, respectively, voted for those benefits. Climate change, biodiversity and employment were the top three benefits that were identified as key priorities by all five groups. Consequently, a lot of the discussion in all breakout rooms gravitated around those three topics. It should be acknowledged that most of the stakeholders were representatives from the environmental sector, which might have biased the results. Below you can find a summary of the key points raised during the breakout discussions.

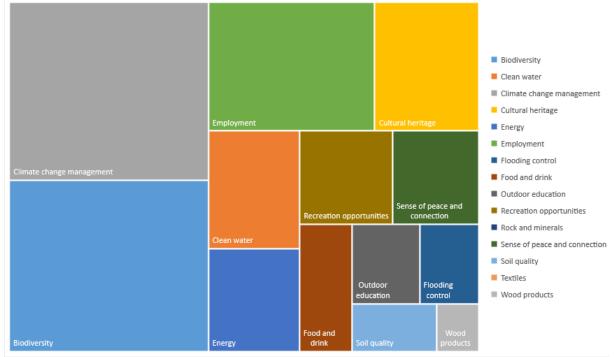


Figure 7: 2045 landscape benefits by total number of votes

All groups agreed that **climate change mitigation** is a priority. The large amount of carbon stored as peat in the Flow country can contribute toward climate change mitigation and meeting Scotland's net zero target. For the purpose of net zero, it is likely that more areas of the landscape will need to be transformed into carbon sinks. A large area covered by intact peatland, as in the case of the Flow Country, would be more effective at sorting and sequestering carbon than several smaller fragmented areas.

The participants widely agreed that we need to go beyond discussions and consultations and implement action. There is an urgent need to engage with people on the ground who manage the land and can deliver change. Better communication, including open and clear conversations with stakeholders, would be key to designing and delivering a climate mitigation plan. Everyone needs to work together in addressing the climate crisis.

It should be acknowledged that the peatland can be susceptible to the impacts of climate change and hence needs to be protected. This links to the conversations around biodiversity.

"Biodiversity is the glue that holds everything together!" Keeping and enhancing ecosystem services would contribute toward climate mitigation together with maintaining the majority of the other benefits that the locals get from the landscape. All groups agreed on the importance of biodiversity conservation.

It is important to consider environmental issues in parallel with the **needs of the local people**, particularly employment. Some of the participants mentioned the trade-offs between biodiversity and **employment**. However, these two benefits do not have to be mutually exclusive. It is about having the right practices in the right place. For example, peat bogs, woodlands and onshore wind farms could all be a part of the landscape given











appropriate spatial planning, and agreement and coordination among the stakeholders. Moreover, there are a multiple employment opportunities related to biodiversity conservation, such as peatland restoration, eco-tourism, etc. Currently, a major issue is that land management is not economically viable without subsidies. Several participants shared the view that employment will follow from investment in natural capital and specifically climate mitigation.

**"Not all employment is equal."** There is a need for better opportunities in the Flow Country, especially in order to keep young people in the area. This would help to keep the region lively and prosperous. It is important to keep such high skilled force in the area. A few conditions that could facilitate better employment opportunities are (1) good connectivity within the region, including internet and mobile networks<sup>2</sup>; (2) establishing shorter supply chains, especially in the context of food production and (3) promoting sustainable employment, for example, through sustainable land use and by adopting a circular economy.

A recent trend that was brought up during the workshop was that more people have been moving to the North of Scotland, including the Flow Country area, with the rise of remote working. While this could alleviate some of the employment and depopulation issues in the area, it could also create affordability issues for local communities stemming from property speculation.

Participants also agreed that the Flow Country has a **cultural heritage** whose history should be preserved.

The most controversial topic during this workshop was **energy** generation. Renewable energy is a powerful climate mitigation tool and some participants assigned to it equal weight as to climate mitigation. At the same time, some of the locals expressed their concerns over the negative impact of energy infrastructure on biodiversity and on aesthetics of the landscape. While renewable energy was perceived as an important climate mitigation tool, some of the participants highlighted that the priority should be protecting the peatlands. Innovative onshore energy solutions are needed that minimize the impacts on the natural landscape. Workshop participants highlighted the need for a mechanism to agree where onshore wind farms should be placed. The first step would be a discussion amongst all parties concerned.

Another landscape benefit which triggered some disagreement was **flood control**. Whilst flooding is currently not a major issue, it could become more problematic in the next 10 to 20 years. Consequently, some participants considered it a priority to ensure the peatlands are in the best possible position to play a flood mitigation function. Others argued that there are more pressing priorities at hand.

The rest of the landscape benefits received fewer votes and did not form part of the group discussion due to the time constraints (see a full list in Figure 7). It should be noted that none of the participants awarded points to "textiles" or "rocks and minerals", suggesting that these activities were not seen as important to the area. It should be noted that not all sectors were represented (see Figure 5), thus potentially biassing the results of the discussions.

The clear takeaway message from session 1 was the shared vision for a multi-use landscape, where a balance should be reached among all the different uses. As one of the participants pointed out "We need to focus on the areas that we agree upon and work together to achieve them."











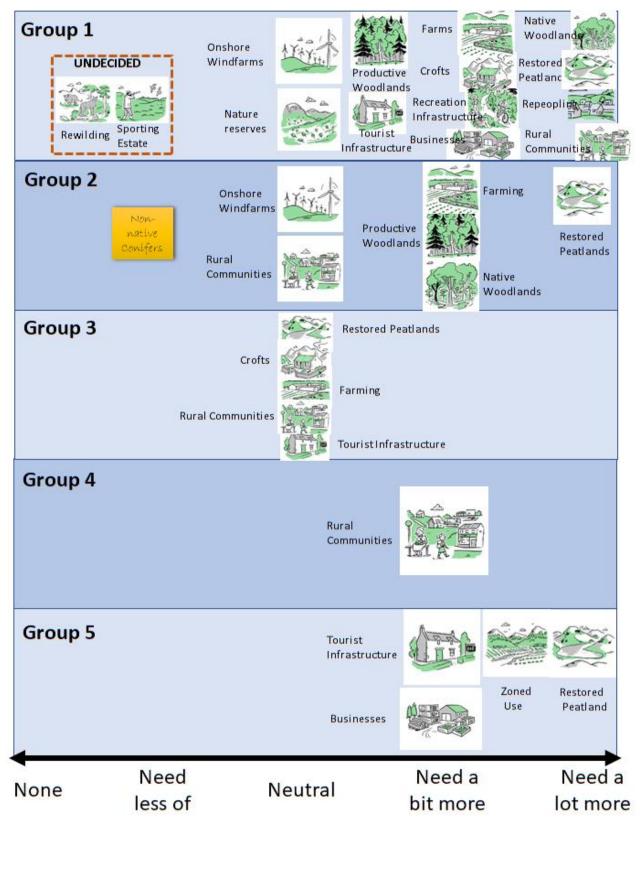
<sup>&</sup>lt;sup>2</sup> Increasing and improving digital infrastructure is already a strategic priority of the Highland Council and is part of the Highland Regional Spatial Strategy.

https://highland.maps.arcgis.com/apps/MapSeries/index.html?appid=26600c319bb34a5db4ed9add84422a49#

# Activity 2: Flow country features in 2045

The landscape features that groups chose to discuss varied between the different groups. Below is a summary of the group discussions on different landscape features.

Figure 8: Desired 2045 landscape features that we discussed by each group







### Main consensus

#### Peatland restoration (discussed by 4/5 of the groups)

Most of the participants thought that restored peatland was the most important feature and they would like to see a lot more of it in the future. Peatlands are an important wildlife habitat and play a vital role in climate mitigation through capturing carbon. In the Flow Country there is the unique opportunity to protect as well as restore the peatland. This is consistent with the outcomes from session 1 where climate mitigation and biodiversity were seen as the most important benefits from the landscape. A potential bottleneck is the lack of contractor capacities, insufficient financial incentives and not always seeing the benefit from peatland restoration. This requires capacity building for which engagement is key.

Some of the participants pointed out that there is already public funding available together with interest from private investors. However, the uptake has been limited. One issue is the short-term nature of the funding, where money is available on a year-to-year basis. This can increase uncertainty and hinder long-term planning. More awareness needs to be raised that the funding is there. In addition, more information is needed on who benefits from the peatland restoration.

### Support for future increases

There was positive support for most of the features discussed by groups. Without all groups considering all the landscape features it is difficult to make conclusions about relative priorities or overall group consensus.

- I. Native woodlands
- II. Local businesses
- III. Crofts
- IV. Repeopling
- V. Zoned use
- VI. Recreation infrastructure

#### Native woodlands (discussed by 2/5 of the groups)

The locals would like to see much more native woodlands in the right place and well managed. This would also contribute to preserving biodiversity. Productive forestry was more controversial and are discussed in more detail below.

#### Local businesses (discussed by 2/5 of the groups)

Some of the stakeholders wanted to see an increase in the number and scope of local businesses. To achieve this more young people need to be attracted to the area. The businesses could provide diversity of income and employment in the area. Revolving funds, that get continuously replenished, could be an appropriate mechanism to support and encourage local businesses. These could present an alternative to community funds which are potentially too small and currently over-subscribed. A successful model would be shared ownership, where the business benefits are shared with and kept within the local communities.

### Crofting (discussed by 2/5 of the groups)

Stakeholders thought that the region needs more crofts that could be used as a way of bringing employment and to support the shift to regenerative farming. Participants saw crofting as a great place for innovation and a great start for young people although a need was identified to promote crofting activities amongst younger people. Crofters tend to have a flexible mentality and wide skill sets, including collaborative working. A major barrier is getting a croft due to complex legislation and limited land availability. Payment schemes need to be structured so that they are suited for the local context of farms and crofters. Moreover, local products are not always positively accepted by the communities in the area.

#### Repeopling (discussed by 1/5 of the groups)

Depopulation is a big issue within the region, which has been aggravated by Brexit. Repeopling, which is the process of people moving to an area that has not been recently occupied. This was only discussed by one of the groups but was seen by them, alongside local communities as a high priority.











#### Zoned Use (discussed by 1/5 of the groups)

One group discussed the need for zoned use in the context about more native woodland and productive forestry to support a planned approach, and the need for a planned / integrated approach for the second rotation decision for existing forest.

#### Support for strengthening

The emphasis for the follow features was more on strengthening, enhancing value for local community, and increasing sustainability rather than large increases:

- I. Rural communities
- II. Farming
- III. Tourist infrastructure

#### Rural communities (discussed by 3/5 of the groups)

The emphasis was on strengthening and enhancing local communities to give people within the area the same opportunities as across Scotland rather than a dramatic increase in populations.

Local buy-in is essential for solutions on the ground to work. Crofters, agroforesters, farmers, etc are part of the landscape. They would be at risk if the peatland gets degraded. Therefore, it is not just nice to involve them, it is critical. Demographics vary among the different rural communities and therefore the priorities also vary dramatically. A 2-way conversation is needed to ensure the wellbeing of the communities.

Ways to generate local money flow are needed, thus giving people in the area similar opportunities as people elsewhere. The participants wanted to see a vibrant local economy based on natural capital. They shared the view that local communities are product of landscape being cared for in proper way.

There was a mixture of support for bottom up and top down approaches in regards of involving local communities. While engaging with everyone is politically correct, it is time-consuming and community views can change over time. There is a need for strong leadership.

#### Farming (discussed by 3/5 of the groups)

"It is not a question whether we need more or less farming, but what kind of farming on what type of land"

Farming was a hot topic that was discussed in depth by most groups. While most participants supported an increase in farming, they demanded a change in practices. Future farming should be sustainable and low carbon, including regenerative practices that ensure soil health and help store more carbon. In contrast, some participants argued that it is important to keep the kind of farming that is already happening in the area.

Sustainable farming requires appropriate incentive systems. Current agricultural incentives may not be sufficient to ensure sustainable land management. Payment schemes need to be structured so that they are suited for the local context of farmers and crofters

If we look at the wider farming context outside the Flow Country, the Highlands imports 80% of their food. This emphasises the desire to produce more food locally and hence increase the food security and resilience in the region. An important part of this would be to promote farming and crofting activities amongst younger people. Moreover, the young generation of crofters and farmers would need more information and guidance on sustainable land management.

#### Tourism (discussed by 3/5 of the groups)

The focus should be on sustainable and responsible tourism that helps to diversify the economy and ultimately make the region more resilient. Long term planning and having a strategic overview would be key. The Flow Country is a very fragile landscape that needs careful visitor management. Over-reliance on tourism can be negative, especially due to Issues with the behaviour of visitors to the areas.

The North Coast 500 tourist route is popular and already attracts a lot of tourists. There is a pressing need to improve the basic infrastructure, such as providing more toilets, the ideas are there but discussions are needed













to connect idea holders and implementers. Financing for tourist infrastructure is desired in order to enhance living conditions for locals as well as tourists.

#### **Neutral Views**

One group discussed nature reserves and were neutral on the topic.

#### Nature reserves (discussed by 1/5 of the groups)

Managed nature reserves are important for the local community for employment and engagement. Yet, these might not always the best way to manage the landscape according to the local stakeholders. They emphasised the importance of engaging the local residents.

#### Limited by appropriate sites

- I. Onshore windfarms
- II. Productive woodlands

#### Onshore wind farms (discussed by 2/5 of the groups)

Windfarms are an important source of livelihoods but need to be more integrated with the community and landscape. While people agreed that we need renewable sources of energy to combat climate change, wind farms were seen by some participants as an industrialisation that was "spoiling the landscape". In contrast, other participants found wind farms "aesthetically pleasing" as they represent clean renewable energy. Most stakeholders agreed that wind farms can be "good" if installed in the right place. Small scale onshore wind farms tend to be more acceptable among the local public. Onshore wind farms are a part of the Flow Country's Action Plan, and already fund peatland restoration.

#### Productive forestry (discussed by 2/5 of the groups)

Similarly to onshore wind farms, commercial woodlands were seen as important if they were in the right place, not on the peatlands, organic soils or breeding sites. In particular one group singled out non-native conifers as being something they would like to see less of in the area. Wood demand is rapidly growing in UK and it was thought this would require a cultural change in how we perceive farming and forestry. It was highlighted that if the area wants sustainable building materials, such as wood, then this needs to come from somewhere.

#### Undecided

- I. Sporting estates
- II. Rewilding

#### Sporting estates (discussed by 1/5 of the groups)

Sporting estates triggered some controversies as they are a large source of income for the area but can have a negative impact, as well as a positive impact, on biodiversity. Moreover, these can interfere with the establishing and sustaining native woodlands, which was identified as a priority landscape feature. The key would be to integrate sporting estates into the bigger picture, where they could be supporting biodiversity and carbon action.

#### Rewilding (discussed by 1/5 of the groups)

A conflict with repeopling if it excludes people from the landscape.

### Summary of Activities 1 and 2

- I. The aim is to achieve at least net zero carbon emissions in the Landscape by 2045 and maximize the landscape's contribution to the Scottish National Government's zero carbon emissions goal in the same timeframe.
- II. The long-term health of the peatland is at the heart of achieving this.
- III. There was a support base and positive attitude towards land use in a sustainable manner, within which peatlands and biodiversity are preserved and restored, and a new economic perspective is created together with more job availability.
- IV. Desire to achieve a vibrant economically active landscape that people want to move to and live in, with diversified businesses that operate in a sustainable manner with care for and making use of the landscape features.











- V. Important to also support the growth of land use productive sectors to address high import dependence, and wood supply gaps, but it is important to select the right areas for this and apply environmental and social safeguards.
- VI. Sustainable tourism and recreation are important but key not to over- rely on it, and investment in the (tourism) infrastructure is important.
- VII. High priority to think about how we engage local communities on the ground now.

# Activity 3: Initiatives in the landscape

There were three active break-out discussions, which focused on the following potential initiatives in the landscape: sustainable land use; carbon payments; and attracting natural capital investment.

### Sustainable Land Use

#### What is the initiative and how does it contribute to the landscape vision?

- i. We need to make sure that existing and future land-use in the Flow Country does not damage the valuable attributes of the land.
- ii. We should consider the planetary boundaries framework to think about what defines sustainable land use in the context of the Flow Country.
- iii. We should acknowledge and act upon the fact that the landscape is about the natural sites as well as the people living and working in it.

#### What is the current status?

- i. The nature of the landscape and lack of productivity of the land makes it very difficult to make profits without the use of subsidies. Whilst this is a barrier to developing truly 'investable' new sustainable land use projects at scale, it offers an opportunity to engage with existing land managers on alternative income streams derived from sustainable land management, particularly in light of likely future changes in the subsidy regime
- ii. There are restrictions on housing and other developments on existing habitats, and a scarcity of productive land, which limits the scope for new enterprises to establish themselves. This further points towards focusing efforts on engagement with already existing land use enterprises rather than starting new ones.
- iii. Currently there is a lack of mechanisms to bridge the polarized views and differences in scale from national to regional and local regarding sustainable land use. The proposed Regional Land Use Partnerships is one mechanism which may address this.
- iv. Lack of mechanisms, schemes and services to support local communities and entrepreneurs in developing new initiatives.

#### Where are the future trends and opportunities?

- i. Stronger communications are needed to engage local communities and land managers on the sustainable land use agenda and do away with any 'them' and 'us' framing by offering tools and guidance to enable contributions on the ground.
- ii. The trend towards "slow tourism" and domestic rather than overseas travel could be very positive for the Flow landscape and we should do our utmost to take advantage of this.
- iii. Potential as a result of the UNESCO World Heritage Status to develop a 'brand' based on high nature farming products to empower sustainable opportunities for circular and bio-based initiatives.
- iv. The build back better agenda, with a special focus on green recovery, is also something we need to strongly align with.











Next steps for Sustainable Land Use include:

- Identify the most appropriate channels through which to engage local stakeholders on sustainable land use opportunities, such as regenerative agriculture.
- Bring together people, ideas, capacities, knowledge and financial means in an expertise cluster with the aim of highlighting the unique, regional character with respect to sustainability.
- Search for new added value activities that create green jobs as well as promote the development of a local bioeconomy and start piloting accordingly.
- Fully assess the potential for higher value 'slow tourism' growth in the landscape, in conjunction with the UNESCO World Heritage Status bid, and the actions needed to facilitate this.

### Carbon payments

#### What is the initiative and how does it contribute to the landscape vision?

- i. A landscape level carbon finance programme that packages together multiple natural climate solutions projects with the greatest focus on peatland restoration and protection.
- ii. This aggregated offering would support capacity building and address Peatland Action continuity of funding issues. It would also support involvement of small-scale land managers who might otherwise be excluded.

#### What is the current status?

- i. The Flow country stores significant carbon in large areas of relatively pristine peatland. The extent this can attract carbon finance is limited by additionality requirements of the Peatland Code.
- ii. A general view is that there is still a great deal of peatland restoration needed in the landscape which goes beyond the current public resources available to carry it out, indicating potential GHG sequestration 'additionality' can be achieved.
- iii. The issue of additionality needs more clarification with respect to the efforts to be counted towards net GHG emissions.
- iv. Peatland restoration from forestry is not currently part of the Peatland Code but hopefully will be included soon
- v. There is also potential for woodland crofters to engage in the woodland carbon code, and the need for natural woodland restoration (such as birch), though peat is likely to remain the biggest game in town in terms of carbon sequestration potential.

#### Where are the future trends and opportunities?

- i. There is a growing investor base looking to invest in nature-based carbon finance projects within the UK where they can have greater assurances over their governance and long-term sustainability.
- ii. However a feasibility study is needed to identify the additionality of GHG emissions savings that can be achieved in the landscape in alignment with the Peatland Code (and Woodland Carbon Code along with others).
- iii. This study should also look into the economics of a landscape-wide carbon programme and the potential profits that could be achieved according to different carbon pricing scenarios and how these could be distributed.
- iv. It should also look further into how carbon finance could make peatland restoration economically attractive for local communities to engage with.
- v. If such studies show positive results, an aggregated carbon finance project offering could be developed to reduce risk exposures to individual projects and attract larger scale investors.
- vi. Climate Change poses future risks to condition of the peat













Next steps for Carbon Payments include:

- Find out more about what investors are interested in (what do they want for their money?) and thereby pay close attention to which conditions they set for their investment.
- Better understanding of the potential market demand for peatland code offsets, and price ranges that could be achieved
- Undertake a feasibility study as set out above
- Explore what an aggregation vehicle could look like for a landscape-level carbon programme

# Attracting Natural Capital Investment

What is the initiative and how does it contribute to the landscape vision?

- i. Natural characteristics from peat landscape form the basis of the Landscape vision
- ii. Peat stores carbon, which can be a valuable source for investments, and for profiling / branding
- iii. Peat landscape at this scale is unique, could be a source for attraction of visitors, investors and product and service developers.
- iv. Locals know the country and the characteristics and potentials. They should be supported to develop initiatives and new businesses
- v. A targeted promotional and branding campaign to raise the profile of the Flow Country's natural capital, and status as an attractive region to visit, live and invest in.
- vi. There are also potential initiatives specific to different aspects of natural capital such as flood mitigation through green infrastructure investment, promotion of ecotourism and maintaining and enhancing the salmon fishery.

#### What is the current status?

- i. Whilst the landscape has some excellent USPs, its assets are not well known and it has nowhere near the public profile that other landscapes in Scotland have such as the Western Highlands and Hebrides.
- ii. It is very challenging to make profit from productive use of the land, and there needs to be greater value gained from the aesthetic qualities of the landscape's natural capital. The price of land in the landscape is one of the lowest in Europe because of these productivity issues.
- iii. Previous partnerships within the landscape have failed to gain much momentum, usually as organisations are not willing to put their own money into such collective efforts without clear financial returns for them.
- iv. In other parts of the country Scottish Water are investing in green infrastructure to help with water regulation and management, and the Whisky industry has apparently also been investing in green infrastructure (such as the Wild Woods project). Perhaps similar initiatives could get off the ground in the Flow Country landscape, if flooding in particular becomes more of an issue due to climate change over the next decade.

#### Where are the future trends and opportunities?

- i. We have an opportunity through the Peatland Partnership to develop this branding and promotional campaign for the landscape, if we can get businesses in the landscape to co-contribute and blend with some public funding. There may be also other ways to fund this, such as Wind Farm funds.
- ii. This could eventually lead to an investment vehicle for the landscape but we need to identify how financial returns would be generated and distributed.
- iii. There is growing interest in 'charismatic carbon' and the promotional campaign above would be a key part of getting carbon projects in the landscape to fall under this category.
- iv. Also need to think of how we can engage crofters and smaller businesses in the landscape in these efforts, without them having to dig into their own pockets (use a tiered membership structure based on income with lowest income stakeholders not paying?).
- v. There are Man and Biosphere reserve areas around the world where grassroots organisations have used this status to develop guiding, accommodation and hospitality offerings under this brand umbrella, which could be done here through the World Heritage process.
- vi. The potential reform of the Scottish farm subsidy scheme also presents a potential opportunity to further the natural capital investment conversation with land managers, although it is early days for this.











#### vii. Scottish Government Pilot Regional Land Use partnership in 2021

Next steps for Natural Capital include:

- NatureScot to look into whether the Peatlands Partnership could be the vehicle through which a
  promotional campaign for the landscape is managed.
- Explore in what way the UNESCO World Heritage process can contribute to enhancing the smart specialization of the region concerning sustainable development of the landscape and natural activities.
- Potential to rename the Peatland Partnership as the Flow Country Partnership to reflect the fact that its scope would be going beyond peat.
- Plan for how the campaign would be financed.
- Coordinate with the planning for the landscape carbon finance programme so that the promotional campaign supports these efforts as effectively as possible.

### Reflections on potential synergies between these initiatives

In general there is substantive overlap and complementarity between these initiatives, with particularly strong linkages along the following lines:

- i. The need to create and promote the Flow Country brand, which can then be used to attract investment into 'charismatic carbon' projects, higher value and sustainable tourism based on its natural capital values, sustainable land use and small business development across the landscape. This process could join forces with the UNESCO World Heritage Status bid.
- ii. The importance of offering land managers incentives beyond the subsidies currently on offer, and reward them for stewardship of land either from public or private sources or a combination of both.
- iii. Future development of Peatland Code will include mechanisms for other natural capital / ecosystem services, not just carbon.
- iv. The need to have strong and meaningful local community engagement in the design and management of each of these initiatives.
- v. The Peatland Partnership is viewed as the most appropriate vehicle through which to bring together and advance these initiatives under a common umbrella, thereby functioning as an expertise cluster to highlight and act upon the sustainable excellence of the Flow Country. It needs sufficient capacities and broad representation to connect ecology and economy.















# **Overall Next steps**

- i. Peatland Partnership to assess how they could help take forward recommendations from this process, including consideration of a name change to the Flow Country Partnership to broaden appeal and mandate, and the local community engagement process needed to take this forward
- ii. Carry out more extensive stakeholder and land owner mapping
- iii. Enlarge the engagement and community. Public partners and businesses, such as construction, were missing.
- iv. Follow up interaction with partners; new workshop in which results are shared and in which next steps are discussed. Also Ideation, definition of pathways and pilots.
- v. Develop mechanisms to involve communities and offer them new perspectives and opportunities
- vi. Bring the landscape vision further in development, decide about governance
- vii. Explore pathways in more detail for ensuring the long-term health of the Flow landscape hand in hand with growing a coherent, local and sustainable community, and set up pilot projects accordingly.
- viii. Peatland Partnership to consider how this process could intersect with the UNESCO World Heritage Site Bid process.
- ix. Early discussions with potential investors in the landscape to understand what is of greatest interest to the investment community.

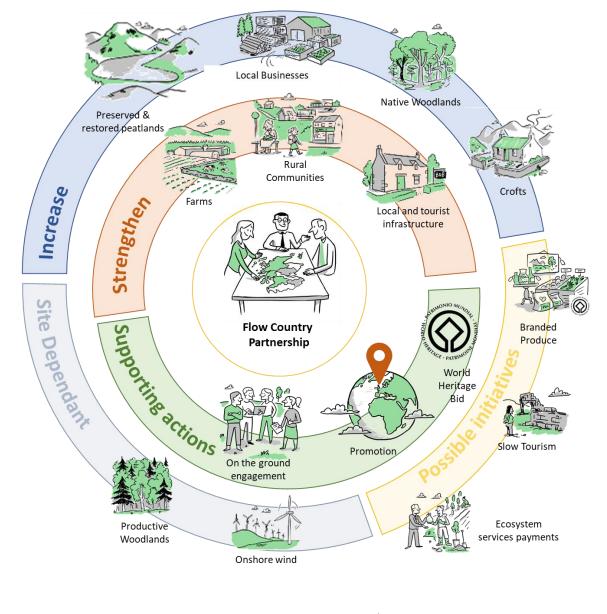


Figure 9: Workshop vision elements for the Flow Country











# Limitations of the workshop

The framing of the themes for the group discussions, especially in the afternoon session caused a focus on natural capital investment. Local communities and businesses were not fully represented so there was the tendency to jump to conclusions. There is broad engagement and there are many perspectives, but further stakeholder consultation and opportunity exploration is required to reach an integrated vision.

# Feedback from attendees (so far)

There was a good mix of participants and the collaboration between all the stakeholders towards shared goals was viewed positively, moving away from an "us and them mentality". It was though that further integration of stakeholders is required for full buy-in of a vision, particularly from landowners and managers representing forestry, sporting, agricultural and crofting interests.

The morning landscape benefits and features activities were useful to prioritise what were the important local issues but could have done with more time to unpack the more contentious issues meaningfully. In the afternoon the initiative discussions would have benefitted from going into more detail and to allow for fuller development of next steps.

Miro was thought to be a useful tool for the workshop although there were some teething challenges which a short pre-workshop training session may have addressed.













