Agenda Item	5
Report No	CCWG/1/21

HIGHLAND COUNCIL

Committee:	Climate Change Working Group
Date:	29 th January 2021
Report Title:	Overview of Landscapes as Carbon Sinks project
Report By:	Executive Chief Officer – Infrastructure & Environment

1. Purpose/Executive Summary

1.1 This report provides an overview of the Landscapes as Carbon Sinks (LaCS) project and how the work of this project involves and impacts The Highland Council.

2. Recommendations

2.1 Members are asked to note the contents of this report.

3. Implications

- 3.1 Resource the Council will continue to contribute 3-4 hours worked per week by The Climate Change Coordinator to support this project; otherwise, there are no resource implications for the Council.
- 3.2 Legal there are no legal implications arising from this report.
- 3.3 Community (Equality, Poverty and Rural) While the long-term aims of LaCS could bring community benefits, there are no immediate community implications of this report.
- 3.4 Climate Change/Carbon CLEVER while there are no immediate implications for climate change or carbon clever, as a result of LaCS being in its planning stage, the long-term actions arising from this project are likely to include habitat restoration and other efforts to reduce greenhouse gas emissions from a large area/s of Highland; these actions are likely to have a positive impact on climate change mitigation and adaption.
- 3.5 Risk If LaCS fails to properly consult with the communities of Caithness and Sutherland, there is a risk that the Council will experience a backlash. The LaCS Working Group is highly aware of this risk and consultation work in ongoing.
- 3.6 Gaelic There are no Gaelic implications arising from this report.

4. Background

- 4.1 Landscapes as Carbon Sinks (LaCS) is a Deep Demonstration programme of <u>EIT Climate-KIC</u>. The project supports those tasked with delivering change in the land sector to design systemic transformations towards Scotland's Net Zero target. Landscapes as Carbon Sinks is a collaboration between The Edinburgh Centre For Carbon Innovation, EIT Climate-KIC, the University of Edinburgh's Centre for Sustainable Forests and Landscapes (CSFL), and a number of European partners: ETH Zurich, INRAE, ONF International, The Nature Conservancy, Wageningen Research, and WWF Landscape Finance Lab.
- 4.2 The initiative brings together research, policy development, business innovation, access to financial investment, and land management expertise to co-design and deliver low-carbon economies and landscapes.
- 4.3 The LaCS project has selected The Flow Country 'landscape' as a research site for its programme and is partnering with The Peatlands Partnership for the duration. The Peatlands Partnership comprises core members, including The Highland Council, which support the implementation of the management strategy document 'The Peatlands of Caithness and Sutherland'. The role of The Peatlands Partnership is to offer local knowledge and expertise and to promote community engagement with LaCS.
- 4.4 LaCS is currently only operating relatively small research sites; however its long-term aim is to bring about systemic transformation of the land use sector to make the whole of Scotland a net carbon sink, building on the Scottish Government's target of becoming carbon neutral by 2045.

5. Key Impacts for The Highland Council

- 5.1 As a member of The Peatlands Partnership, the Highland Council will offer support and advice to the LaCS project where appropriate.
- 5.2 In November 2020 the 'Flow Country 2045 Vision Workshop Report' was published, following a virtual stakeholder workshop earlier that month. The aim of this workshop was to set out aspirations and visions for a sustainable net-zero circular economy for The Flow Country by the year 2045.
- 5.3 25 stakeholders representing 13 different sectors attended the workshop, which was split into three main discussions: 1) the importance of different benefits from the landscape in 2045; 2) the landscape features required to support these benefits; and, 3) initiatives to focus on in the near-term as a pathway towards this vision. The main outcomes of this workshop included:
 - Participants determined that climate change, biodiversity and employment were the top three benefits that should be prioritised by LaCS.
 - The Flow Country needs to be a "multi-use landscape", where a balance should be reached among diverse land uses including: crofting, habitat restoration, renewable energy production, tourism, forestry etc.
 - The top three initiatives that should be at the heart of achieving the 2045 'vision' for The Flow Country should be: 1) carbon payments landscape scale finance programme to support capacity building of peatland restoration and inclusions of small-scale landowners;
 2) sustainable land use bringing people together to create a local expertise cluster on sustainable land use and to pilot local bioeconomy ideas; and 3) attracting natural capital investment.

- There is a need for better employment opportunities in The Flow Country, especially to keep young people in the area. Key to achieving this goal are three conditions: 1) good internet and mobile connectivity; 2) establishing shorter supply chains, in particular for food production; and 3) promoting sustainable employment, for example through sustainable land use and a circular economy.
- Onshore wind energy generation was a topic of contention, with some participants hoping for more installations, while others sought more restrictions on where wind turbines could be installed (for example, not in deep peat).
- Areas where strengthening was considered to be required to meet the 2045 landscape vision for The Flow Country included: native woodlands, local businesses, crofting, repeopling, zoned land use and recreation infrastructure.
- Sustainable farming requires appropriate incentive systems to be adopted. Payment schemes need to be adopted so that they are suited to the local context of farmers and crofters.

5.4

The workshop also identified existing challenges facing the Flow Country landscape:

- The nature of the landscape and lack of productivity of the land make it difficult to turn a profit without subsidies.
- There are restrictions on housing and other developments on existing protected land, as well as a scarcity of agriculturally productive land.
- There are currently 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.
- There are a lack of mechanisms, schemes and services to support local communities and entrepreneurs in developing new initiatives and businesses.

5.5

The workshop also identified future trends and opportunities, including:

- The trend towards slow tourism and domestic rather than overseas travel plays to the strengths of The Flow Country.
- The Flow Country World Heritage Site Project could lead to the development of a 'brand' based on high-end nature farming products to empower sustainable opportunities for circular and bio-based initiatives.
- The build back better agenda, with a special focus on a green recovery, can neatly align with the aims of LaCS.

5.6

The **timeline** of activity for LaCS is as follows:

- **2019-2020**: Working with partner organisations to explore future options, identify key challenges, and elaborate potential levers for change.
- **2020-2021**: Priority shifts to designing approaches for unlocking the levers of change and testing these approaches through experimental implementation. This could be in the form of creative new business models, governance systems, innovative financing, new technologies, new products, or management approaches and behaviours.
- **2021-2030**: Transformative ideas structured and trialled over a period of 3-10 years. Each project will be tested for its societal, environmental, and economic impact, working towards the ultimate goal of net-zero carbon across Scotland.

Designation: Executive Chief Officer – Infrastructure & Environment

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