



## SCOTTISH FOREST & TIMBER TECHNOLOGIES ADVISORY GROUP MEETING Thursday 15 December 2011, Board Room, Scottish Enterprise, Stirling

### Present:

|                        |                                 |
|------------------------|---------------------------------|
| Alex Brownlie (AB)     | John Kissock – CHAIR (JK)       |
| Alistair McKinnon (AM) | Joy McClean (JM)                |
| Bob McIntosh (BM)      | Neil Donaldson (ND)             |
| Cathy Black (CB)       | Neil Stoddart (NS)              |
| Colin Kennedy (CK)     | Philip Turner (PT)              |
| Derek McDonald (DM)    | Stuart Goodall (StuG)           |
| Elisabeth Stark (ES)   | <i>Angela Davey – item 5</i>    |
| Fergus Tickell (FT)    | <i>Claire Glaister – item 7</i> |
| George Webb (GWE)      | <i>Tony Baker – item 5</i>      |
| Harry Wilson (HW)      |                                 |

**Apologies:** Andy Leitch, Ben Westland, Diane Duncan, Ed Suttie, Gavin MacKay, Greg Walker, Guy Watt, Scott Gordon, Stephen Good, Steve Lavery, Tom Bruce-Jones

### 1. Welcome and Introductions – JK

The Chair welcomed everyone to the meeting, particularly our guests Angela Davey, Claire Glaister, Tony Baker and ES and NS who have not managed to attend before now. Apologies were noted as above.

### 2. Minutes of Previous Meeting and Matters Arising - JK

The Minutes of 14 October 2011 were agreed. Several updates were provided:

- Circulate lobbying document to the group – SG – Outstanding
- Feedback re: the Strategic Plan to be sought from Regional Groups and discussed at a future SFTTAG Meeting – Regional Group/All – Discuss at next meeting in March
- French wood promotional advert to be distributed to the group – JK – Completed, however one of the C02 cycle to be distributed also – JK
- Carbon calculator - Andy Leitch working with Forestry Commission Wales on similar project.
- 'Rates of Planting Update' to be presented at first meeting of 2012 – StuG.
- Steering Group to be considered to progress with Communications Strategy Action Plan work – JK/BW – will use Weber Shandwick and StuG will assist.
- Discussions to take place with SFTTAG members' industry groups regarding Targeted Sector Marketing/Promotion support. We need to know what the industry wants to do – ALL – This topic to be revisited when more time. AM has had no feedback as yet.
- Anyone interested in the showcase timber building planned for Roslin to speak to PT – ALL – Ongoing.
- Still opportunities to donate examples of wood products to be part of permanent natural materials library. Please contact AL with any ideas – ALL – as AL is absent today, unaware if action has been progressed.
- Any ideas regarding Timber House Project to be sent to AL – ALL (as AL is absent today, unaware if action has been progressed).

JK asked the group if Minutes of SFTTAG could be posted on the website. The group agreed this would be a good way to disseminate information to wider industry - Joy to action.

### 3. Comments on the Chairman/ Industry / Organisation Updates (Circulated Prior to Meeting) – ALL



Thanks were given to those group members who submitted group updates prior to the meeting. Next time they are to be submitted to JM at least 1 week in advance, to allow for circulation to SFTTAG members in good time before the meeting.

Some of those updates not yet circulated were distributed at the meeting / summarised in person. Resulting discussions focussed on topics such as - helping the government to understand the implications of biomass use in power and heat generation, creating the correct policy for it, highlighting the issues around new commercial woodland creation to the government and identifying the correct delivery mechanisms. StuG commented that getting large scale applications through the approval process is a big hurdle and that we need to ensure commercial conifer is made a priority. The mechanism of single farm payment and cap reform were also recognised to be major issues. StuG informed the group that he was to meet with Scottish Natural Heritage and Government Ministers to discuss such matters over the next few days. The group agreed the need to discuss how we go forward on this and input into consultation (which will require identifying actions and priorities) at the next meeting.

The group congratulated BM on his new post - Director, Environment and Forestry (which is the new directorate in the SG. He'll also retain his title of Director, FCS).

#### **4. Presentation on 'Current and Future Opportunities of Cellulose – New Material Innovation Using Plant Cell Wall Polymers' – PT**

PT delivered an interesting and thought provoking presentation, focussing on the science behind it, in order to show the impact of discoveries. PT showed that we have potential to develop a green manufacturing industry based on plant based polymers, which is an important strategic resource for Europe, but more specifically Scotland. He stated the need for the Government to focus on this.

Question from the group mostly focussed on the timeline for products to be developed and who investors in research in this area are. PT explained that some are making money out of this already; however they don't have the technology to scale some of it up yet. Innovations are also required in supporting industries that might use the outputs from this research. He emphasised the need for collaboration, as no one company or institute can do this work on their own. Some Companies are sitting on the fence to see what innovations occur whilst other companies' strategies are to be first movers, so are developing now. Funding is coming from several parties, but the government needs to be more involved. AM commented that TSB is not very focussed on this work right now, but are starting to focus on common technologies, where there are big opportunities for Scotland. PT told the group he believed there would be huge transformation in this area in the next 10 years, and would result in significant changes in the marketplace.

#### **5. Discussion – The Sector's Contribution To The Government Export Targets – Angela Davey & Tony Baker** - a paper on the general position/background of Scottish Development International was circulated prior to the meeting).

Tony explained his and Angela's areas of responsibility, and the role of SDI – international trade, including forestry. SDI do this by supporting companies (through contacts in the market, research, strategy development etc) to export, and also encourage investment into Scotland by new or existing foreign owned companies.

Tony opened the discussion by highlighting the Scottish Government's target of 50% growth in Scottish exports by 2017. The profile of exports has never been higher, mostly due to low growth in the UK and the government target. Tony asked the group not to focus on exact numbers but on the aspiration to go international.

On 30<sup>th</sup> March 2012, John Swinney will meet with the IAG Chairs again and will discuss sector's contribution to the export targets. In advance of this (by the end of January) each IAG has been invited to submit information on their industry's potential for export growth – Angela (and SDI) will assist SFTTAG in preparing this submission.

Angela then led discussion which focussed on key subsectors to enable her to construct a draft of the submission. Angela will circulate this to the group for comments prior to submission. JK highlighted



that pulp, paper and packaging are not represented in this group, and therefore they will need to be contacted for information. Also, there are major issues with the government's baseline statistics on exports for the sector, but for now we will just have to work with them.

The main areas touched on were SFTTAG Ambition, Ranking Current Performance, Future Opportunities, Barriers to Growth, Enablers, R&D, Global Sector Trends and Relevance of Trends for Scotland. Subsectors were discussed individually in general terms but more information would be needed on specific items from individual companies -

- Small Round Wood and Log
- Co-products
- Biomass including wood pellets
- Sawn Timber
- Panel Products
- Engineered Wood Products

It was agreed the following actions should be completed before Christmas

- GWE to get information from the Supply and Demand Sub Committee that produces numbers on small round wood and logs exports (volume by country and we can try put a value on it) to JK. He would also look into the panel product export figures
- The group are to construct a list of key companies with the highest growth potential and send it to Angela.
- NS to send JK information regarding export infrastructure issues within Scotland.
- ND to send figures on timber frame housing exports to JK.
- JK to receive figures on trace paper exports and forest transplant exports from DM.

Angela to circulate information regarding collaboration opportunities to the group.

Tony commented that the SFTT industry is not very demanding of SDI, they could be pushier – companies should note this.

Tony and JK to meet to discuss this work in the New Year.

## **6. Parliamentary Event Debrief - JK**

JK thanked SE, especially Robin Walden, for all their work on this event. Each of the three days the manning of the stand was altered to reflect different aspects of our Sector. Although visitors were limited they came with good questions and were supportive of the Sector, one of which was Fergus Ewing. However, AM reminded the group that we should recognise the limitations of such an event – having to man a stall for 3 days, when if possible, we would prefer to only attend for the Thursday when there is considerably more foot fall. Also, he suggested do more targeting of particular MSPs on specific topic/ issues would be beneficial. GW suggested we have more products on the stand. Fergus Tickell had suggested to JK that perhaps SFTTAG should consider an all party forestry/timber technologies group. StuG urged caution based on his previous experience. JK asked the group to consider circulating a regular 1 page (no longer) report on key issues to MSPs in an effort to promote the industry within Parliament. Members of the group stressed this would need to be done in a very structured manner and not replicate the work of the likes of Confor. These issues are to be considered and discussed at future SFTTAG meeting.

## **7. Skills Strategy Update – Claire Glaister**

Claire started with a brief summary of skills discussions that took place at the previous SFTTAG meeting. The presentation focussed on -

- Actions from the previous meeting
- The way skills sector has changed – including Proskills being unsuccessful with funding
- The current position of the forestry/wood industries
- The difference between 'a gap' and 'a shortage'
- Where are the gaps in the forestry/wood industries?
- Are there skills shortages in the forestry/wood industries?



- SFTTAG's role in fulfilling the gap
- How the work about to be undertaken will provide an evidence base for the SFTTAG strategy.

The group agreed with the approach being taken (development of a Skills Strategy capturing and addressing these issues). ND highlighted to Claire that if there are difficulties speaking to some companies then group members can assist through personal contacts.

### **8. Forward Agenda – An Update on Productive Woodland Creation/Progress/Blockages/What Needs To Be Done & By Whom? - ALL**

To be discussed at future meeting.

### **9. AOB - ALL**

- SFTTAG Futures – AM circulated a document explaining this piece of work, what it is and who will do the work. This piece is out to tender at present and should give us ammunition within SE to keep Forest and Timber Industry on the radar. A draft report should be completed by the end of March. It is hoped this work will help us to articulate our argument regarding what needs to be done, putting us on the front foot and clarifying where the opportunities are.
- The Future of the Forestry Degree Course at Aberdeen University – the group discussed a letter written by the Forestry Degree Programme Coordinator at the University of Aberdeen, which spells out the precarious situation of forestry education in Scotland. Dr Andrew Cameron explained why many the forestry degrees are being dropped at other Universities, and the continuing threat through cutbacks at Aberdeen. ES asked that the Scottish Funding Council be contacted about this issue, as she said the Scottish Government takes a light approach with Universities. The group agreed a letter be written to the University of Aberdeen. StuG stressed this is a broader issue than just with the University of Aberdeen, giving the example of Inverness. AM asked the group keep in mind - what are the implications of regionalisation of colleges? DM highlighted the distinction between training and education. PT stressed that Universities do respond to external/political pressure – we need to show there is a shortage of forestry skills in Scotland. Does the University of Aberdeen need to market itself differently? ES reminded the group of the importance of getting into schools too. Claire informed the group that the Institute of Chartered Foresters is bringing forestry providers (UK wide) together for a meeting on the topic of education provision this year.
- Consultations – everyone was invited to respond to Andrew Barber's Committee on woodland expansion and to the Renewables Obligation consultation issued by the Scottish Government. StuG will share information with the group.
- Feedback on Website – to be sent to Virginia Harden.
- Next IAG Chairs' Meeting – reminder that this will take place on 30<sup>th</sup> March, 2012.
- SFTTAG's Regional Groups – NS commented that the Highland Group is gaining more support, but has less HIE involvement, so asked the group whether their name should be changed to be more linked with this group and not HIE. The group suggested it best to leave it as is for now. Several group members stated they feel the groups are more joined up now, but JK said he still believes there is much room for better communication. CK said he would publish the SFTTAG Minutes on the South's SFTT Group website. DM suggested NS contact Steven Hutcheon regarding the HIE issue mentioned above.

**Next meeting – Thursday 29th March, 10.00 - 12.30 followed by buffet lunch, venue – tbc (possibly in Edinburgh if Fergus Ewing in attendance).**



| DATE     | ACTION   | WHO  | STATUS |                   |
|----------|--|--|--------|-------------------|
| 20/04/11 | Any future topic requests to be submitted to JM.   | ALL  |        |                   |
| 20/04/11 | Circulate lobbying document to group.  | SG   |        | JK to f/u with SG |
| 05/07/11 | Feedback re: the Strategic Plan to be sought from Regional Groups and discussed at a future SFTTAG Meeting.  | Regional Group Reps/ALL  |        |                   |
| 05/07/11 | Issues with carbon calculator to be discussed with the Construction Forum.   | AM   |        |                   |
| 14/10/11 | 'Rates of Planting Update' to be presented in March.   | StuG   |        |                   |
| 14/10/11 | Steering Group to be considered to progress with Communications Strategy Action Plan work.   | JK/BW  |        |                   |
| 14/10/11 | Discussions to take place with SFTTAG members' industry groups regarding Targeted Sector Support. We need to know what Industry wants to do.   | All  |        |                   |
| 14/10/11 | Anyone interested in the showcase timber building planned for Roslin to speak to PT.   | All  |        |                   |
| 14/10/11 | Still opportunities to donate examples of wood products to be part of permanent natural materials library. Please contact AL with any ideas.   | ALL  |        |                   |
| 14/10/11 | Ideas regarding the Timber House Project to be sent to AL.   | ALL  |        |                   |
| 15/12/11 | C02 cycle advert to be distributed.  | JK   |        |                   |
| 15/12/11 | SFTTAG Minutes to be posted on the website.  | JM   |        |                   |
| 15/12/11 | Group/Organisational/SFTTAG Chair Updates to be submitted to JM at least one week advance of the next meeting, to allow for circulation to SFTTAG members in good time before the meeting. | Regional Chairs/ JK/ Organisations that update in item 3 of the meetings |        |                   |
| 15/12/11 | An Update on 'Productive Woodland Creation/Progress/Blockages/What Needs To Be Done & By Whom?' To be discussed at future meeting.   | AM/StuG  |        |                   |
| 15/12/11 | Letter to be written to the University of Aberdeen regarding the threat to their forestry degree.  | JK   |        |                   |
| 15/12/11 | Send in responses to Andrew Barber's Committee and to the Renewables Obligation Consultation.  | ALL  |        |                   |
| 15/12/11 | Feedback on Website to be sent to Virginia Harden.   | ALL  |        |                   |
| 15/12/11 | Steven Hutcheon to be contacted regarding HIE's involvement in the Highland Group.   | NS   |        |                   |
| 15/12/11 | Template to be constructed (submit end of January) regarding the sector's potential scale of export growth, This   | Angela Davey   |        |                   |



|          |  |              |  |  |
|----------|--|--------------|--|--|
|          | document to be circulated this to the group for comments, prior to submission.   |              |  |  |
| 15/12/11 | Pulp, paper and packaging are not represented in SFTTAG; therefore they need to be contacted for information regarding potential growth in exports.                            | Angela Davey |  |  |
| 15/12/11 | Information from the committee that produces numbers on small round wood and logs exports (volume by country, we can try put a value on it) to be sent to JK before Christmas. | GWE          |  |  |
| 15/12/11 | The group agreed to construct a list of key companies with the highest growth potential and send it to Angel Davey before Christmas.   | JK           |  |  |
| 15/12/11 | Information regarding transport issues within the UK to be sent to Angela Davey before Christmas.  | NS           |  |  |
| 15/12/11 | Figures on timber frame housing exports to be sent to JK before Christmas.   | ND           |  |  |
| 15/12/11 | Figures on trace paper exports and forest transplant exports to be sent to JK before Christmas.  | DM           |  |  |
| 15/12/11 | Information regarding collaboration opportunities to be circulated to the group.   | Angela Davey |  |  |
| 15/12/11 | Tony and JK to meet to discuss this work in the New Year.  | Tony Baker   |  |  |
| 15/12/11 | Communications with MSPs to be discussed at future meeting.  | JM           |  |  |
| 15/12/11 | SFTTAG Minutes to be published on South's SFTT Group's website.  | CK           |  |  |