

## Community Land Scotland | August 2025

### Our preliminary policy position on the industrial forestry sector in Scotland

#### Background

Earlier this year, [we published a series of papers focused on drivers behind the industrial forestry sector in Scotland](#) following concerns from members about the impact of industrial forestry in their local areas.

We are also concerned about the role of industrial forestry corporations and asset management organisations in further concentrating ownership and management of Scotland's forests.

In response to this we are producing a preliminary policy position on the state of the forestry sector in Scotland to make clear our concerns and what could change for the future. This position may well evolve as we talk further with communities, forestry experts and other stakeholders in the forestry sector.

#### Language

Industrial forestry – we use this term to describe extractive forestry ownership and management, which is focused on large-scale projects on an industrial scale. This covers both coniferous forestry focused on timber production and broadleaf forestry focused on carbon markets/natural capital markets. The key distinction is not the species of tree but the extractive economic process behind the forestry ownership and management which pulls wealth out of local areas. This focus on extraction, and the necessary industrialisation of processes to maximise profits, naturally has an impact on how the forestry itself is managed.

Investment forestry – we use this term to describe the growing ownership of Scotland's forestry by investment groups and asset management organisations. This ownership is focused on forestry as an asset class designed to deliver short-medium term profits for shareholders. This ownership has a tangible impact upon forestry management, as Jon Hollingdale details in his paper, depending on whether the investors objectives are speculative or focused on maximising profits from timber production.

#### The status quo

The current models of forestry ownership and management raise serious questions about who is benefiting, what the wider contribution to our timber security and economy is and whether industrial scale forestry is helping our fight against the biodiversity and climate crises.

Scotland has extensive forest holdings and further land which could be used for forestry to deliver various public priorities. If we can achieve a more diverse, inclusive and sustainable forestry sector, there will be wider benefits for communities, the environment and Scotland as a whole.

However, the existing extractive, profit-driven model that currently dominates large amounts of the forestry industry is damaging to the economic, social and environmental fabric of many parts of rural Scotland.

Scotland's uniquely concentrated pattern of landownership and lack of oversight over land acquisitions has meant that a small number of individuals and corporations have amassed forestry holdings. This has restricted communities and smaller businesses' ability to acquire forests and take part in a more locally focused and sustainable timber industry.

Furthermore, we are highly concerned about the detrimental impact of ownership of Scotland's forests managed purely for profit and shareholder returns. We would question the scale of these forestry projects, the distant and opaque ownership structures behind them and how they might meet wider social and economic needs or benefit the communities that live around them.

### **What can change**

We support the need for productive, diverse and actively managed forests, alongside naturally regenerating native forests, that contribute to timber security, carbon sequestration and biodiversity recovery as well as provide space for enjoyment, learning and connection.

We believe in the importance of having a productive, diverse mixed forestry sector which delivers the rural skills, employment opportunities and community wealth building benefits that a vibrant local forestry economy can produce.

There needs to be consistency of approaches across the industrial forestry sector to ensure high quality forest management, meaningful community engagement and a commitment to Community Wealth Building principles that are proportionate to the scale of projects.

Local communities and smaller timber producers are being squeezed out of an increasingly centralised and extractive forestry sector, which is stifling opportunities for community-owned forests. There needs to be further opportunities for community ownership of forests through the regulation of forest sales to reduce concentration of ownership and lower land prices.

Targeted public support could also encourage further active woodland management; a greater diversity of timber produced and increase local timber processing.

When communities' own forests they do so for multiple reasons, to produce timber, boost biodiversity, create spaces for community learning and cohesion, to develop woodland crofts and eco-tourism. All of these activities are productive use of forests which deliver multiple economic, social, environmental and wellbeing benefits for a local area.

Local economies and local people need to be at the heart of Scotland's forestry industry with further support given to local sawmills, smaller-scale, diverse productive woodlands and community-based forestry. Further scrutiny and oversight of landownership is vital to ensure that benefits are unlocked for nature, communities and local economies across Scotland.

We welcome further engagement on forestry issues from all the stakeholders within the sector. We can all collectively work together to ensure Scotland's forests are equitably owned, productive and sustainably managed and delivering the wider public benefits that we know they can.