

Flow Country Partnership: Our Restoration Offer



Flow Country Restoration Limited

The Flow Country was inscribed as a World Heritage Site (WHS) in July 2024. It is the only peatland WHS globally, Scotland's first to be inscribed on purely natural criteria.

The Flow Country Partnership (FCP) is a community-led charitable organisation which exists to protect and restore peatland, and manage the WHS. FCP aims to work with landholdings to scale peatland restoration by blending public and private finance, maximising the economic and wider benefits locally. Profits will be reinvested into future restoration works and wider WHS and community benefit projects across Caithness and Sutherland.

Flow Country Restoration Ltd (FCRL) is a wholly owned subsidiary of FCP looking to make peatland restoration available to all those with suitable land. We have developed this document to outline the services we are offering landowners and land managers who may be wishing to restore drained or eroded peatland. We aim to develop long-term and mutually beneficial working relationships over the entire duration of a peatland restoration project and potentially beyond, and are looking to partner with landowners and land managers who share our vision.

We recognise that every restoration project is unique, reflecting the different characteristics on the ground and individual aims of the landowner and land manager. We will tailor our approach to meet these needs and requirements. Formal agreements are drawn up for each project where we set out information on the process, responsibilities of each partner, and an outline work schedule.



Why Restore?

The area known as the Flow Country in Caithness and Sutherland hosts the world's most extensive actively accumulating blanket bog. It stores 400 million tonnes of CO₂ equivalent and supports an exceptional range of peatland biodiversity.

However, some peatland within the Flow Country is drained, degraded, drying out and releasing carbon. Restoration can bring these areas back to healthy, functioning bogs reducing carbon emissions and over time sequestering carbon dioxide from the air, turning the peatland from a carbon source back to a carbon sink.

Restored peatland can benefit local communities by increasing resilience to drought, flooding and wildfire events, as well as enhancing habitats for wildlife and improving water quality in peatland burns and the rivers they flow into.

Peatland restoration also brings employment, research and education opportunities, and income from carbon sales.

The Flow Country Partnership exists to bring together a community including crofters, farmers, landowners, land managers, local businesses, residents, ecologists and local government to grow the resilience of the Flow Country and its people. It is looking for partners to restore peatlands, safeguarding against threats like wildfires and bolstering Scotland's Net Zero ambitions, and through these efforts create opportunities for thriving communities.



Our Offer

- The land and carbon units generated by the restoration will be owned by the landowner, but the projects will be planned, designed, developed and managed day to day by FCRL with input and direction from the landowner/land manager(s) as required.
- We charge a fee for our services, usually in the form of a percentage of the carbon units generated by the project, which will be payable at an agreed point following completion of the restoration works.
- Funding is currently available for restoration works through Peatland ACTION, and the resulting restored peatland can generate carbon units through the Peatland Code which can be sold to create an income.
- We can help with the entire process, from project scoping and feasibility, to securing funding, tendering for and managing contractors, monitoring the works, managing the carbon verification process and sale of carbon units.



Our Services

We offer to:

- Identify and assess potential restoration areas through mapping, surveys, and early cost/carbon estimates.
- Develop and refine project feasibility, including long-term land management, grazing/deer planning, and emissions modelling.
- Coordinate essential surveys and engage with Peatland ACTION and Peatland Code validators.
- Create the full Restoration Plan and Statement of Requirements (to be approved by landowner/land manager(s)).
- Consult regulatory bodies and prepare required notifications.
- Manage delivery of restoration works through tendered contractors, implementing the agreed restoration techniques on the ground.
- Carry out post-restoration monitoring and reporting to meet Peatland Code requirements and enable verification and issuance of carbon units.
- Manage carbon unit sales through marketing, negotiation with buyers, and development of buyer contracts.



Partnership Agreement

A contract between the landowner/land manager(s), Common Grazings (where applicable) and FCRL will be drawn up and agreed prior to the commencement of the peatland restoration works.

It will specify:

- **Rights & responsibilities** of each party.
- An **agreed land management plan** for the period of the project.
- The **allocation of carbon unit income** (a pre-agreed percentage split between the parties). This will depend on the size of the project, degree of difficulty associated with restoration and future maintenance, and quantity of carbon units available to sell.
- FCRL's approach to **protecting against future maintenance costs** by holding 10% of the total project units in a maintenance buffer. This will protect availability of Peatland Code carbon units throughout the project. In the event that there is a remainder of this buffer after maintenance costs, it will be proportionally divided between the landowner/land manager(s)* and FCRL.
- **Financial contribution** to reduce the Peatland ACTION funding application, where applicable. The application assessment awards a higher scoring for increasing levels of private contribution. FCRL can provide up-front funds to pay for this contribution and would be reimbursed through the pre-agreed split of carbon income.

* Note: reference to land manager(s) here and throughout the document includes Common Grazings (where applicable)



FCRL will be responsible for project development, including:

- **Project design**
- **Procurement and management** of contractors.
- **Acting as an Agent** on behalf of the landowner/land manager(s) for the purposes of Peatland ACTION application and grant drawdown process.
- **Acting as Project Developer** for Peatland Code project registration, pre and post restoration validation and ongoing monitoring, maintenance, management and verifications throughout the lifetime of the project.
- **Management** of UK Land Carbon Registry entries, marketing and sales of carbon credits on behalf of the landowner/land manager(s).
- **Providing finance** to cashflow the restoration work.

The landowner/land manager(s) will be responsible for:

- **Providing access to the land** and information on its management.
- **Managing the site** to the agreed Land Management Plan, including controlling grazing levels and deer numbers.
- Acting as Named Applicant for the Peatland ACTION grant.

The landowner continues to own the peatland and its carbon units.

The net carbon credit revenue generated by the restoration work will be distributed between the landowner/land manager(s), the Common Grazings (where applicable) and FCRL.

Landowner/land manager(s) may choose to allocate a portion of their share of the carbon credits to offset their own carbon footprint.



Potential Value of Carbon Units

- Peatland restoration projects help to lock away carbon in the peatland and therefore reduce emissions. These emissions reductions can be quantified and verified through the IUCN Peatland Code, to generate carbon units.
- The quantity of carbon units available and project duration possible depends on the size, peatland condition, peat depth, planned restoration work, and aspirations of the landowner/land manager(s).
- The market for peatland carbon is an emerging one, and prices for the sale of carbon units remain uncertain. FCRL has been modelling between £25 - £55 per carbon unit.
- Carbon units can be sold as Pending Issuance Units (PIUs) or Peatland Carbon Units (PCUs). PIUs represent the predicted future emissions, and they can be sold at any point following completion of restoration and validation.
- PIUs are converted to PCUs through the Peatland Code verification process, which takes place five years after completion of restoration and every ten years thereafter. PCUs represent actual emissions reductions confirmed to have been achieved during the associated verification time period.
- We are confident that we will be able to achieve a premium price for “Flow Country” carbon units due to World Heritage Site branding and the wider social and community benefits associated with Flow Country Partnership projects.

Peatland Code projects
can run from

30 to 100
years



The Figures

Project Description	5 Years Post Restoration	Every 10 Years Thereafter
Small, Moderate (e.g. 200 ha)	Carbon Units - 824	1,647
Price Per Unit - £25	£20,600	£41,175
£35	£28,840	£57,645
£45	£37,080	£74,115
£55	£45,320	£90,585

Project Description	5 Years Post Restoration	Every 10 Years Thereafter
Medium, Moderate (e.g. 600 ha)	2,472	4,941
	£61,800	£123,525
	£86,520	£172,935
	£111,240	£222,345
	£135,960	£271,755

Project Description	5 Years Post Restoration	Every 10 Years Thereafter
Large, Moderate (e.g. 1800 ha)	7,352	14,706
	£183,800	£367,650
	£257,320	£514,710
	£330,840	£661,770
	£404,360	£808,830

- These models are examples of different project sizes of moderate complexity. The areas are based on overall site outlines.
- Income figures are shown relevant to PCUs as these accumulate over the project duration. It is generally expected that PIUs will have less market value than PCUs. Income could be accessed earlier if selling PIUs.
- 10% of total project units is our agreed model to hold back against future maintenance costs, which would be excluded from the units sold and is not included in the above calculations.
- Please note, the amount of carbon units available to projects varies from site to site.
- This table has been produced for illustration purposes only, using the Peatland Code Bog Emissions Calculator to model a range of areas of the different Peatland Code condition category assessment units e.g. drained artificial, drained hag/gully and actively eroding.



The Schedule

STAGE	TIMESCALE	OUTPUTS
 Scoping & Proposal	SCOPING & PROPOSAL - PEATLAND ACTION FUNDING APPLICATION: APPROX. 9 MONTHS (VARIES DEPENDING ON PROJECT SIZE AND COMPLEXITY)	1. Signed MoUs & Restoration Project Proposal Report
 Project Feasibility		2. Draft long-term Land Management Plan & UK Land Carbon Registry project registration
 Restoration Plan Development		3. Restoration Plan, contractor tendering, consultations & permission requests
 Contract Development		4. Agreed Contract between landowner, land manager(s) & FCRL
 Peatland ACTION Funding Application		5. Agreed contractor, costing and funding application submitted
 Peatland Code Project Plan Validation		6. Completed Project Plan Validation & updated estimate of carbon units
 Pre-restoration Species Surveys		7. Reports, species protection plans & timescale for works
 Restoration	RESTORATION - 1 YEAR FOLLOWING PEATLAND ACTION APPLICATION	8. Completed restoration, claims and final reports
 Peatland Code Restoration Validation PIUs Available to Sell	YEAR 1 POST RESTORATION	9. Completed Restoration Validation
 Initial Monitoring & Potential Maintenance	YEARS 1-4 POST RESTORATION	10. Monitoring data & organisation of maintenance, if required
 Peatland Code Verifications PCUs Available to Sell Monitoring & Potential Maintenance	YEAR 5 POST RESTORATION & SUBSEQUENTLY EVERY 10 YEARS	11. Monitoring date & organisation of any maintenance, if required



Conclusion

- FCRL is **seeking to work with landowners and land managers** to restore peatland throughout the Flow Country of Caithness and Sutherland.
- We have been working in this field **since 2022** and have delivered several successful restoration projects.
- We can also **tailor this offer** and provide a subset of the works to suit individual requirements e.g. Project delivery until Peatland ACTION restoration work is completed, or post restoration monitoring & maintenance.



Case Study: Armadale Farm

Armadale Farm is a 2,290ha traditional hill farm in North Sutherland, which has been grazed by sheep since 1791. In the last few years farmer Joyce Campbell has moved to a more nature-based approach to an upland farming system and the farm now supports a mixed cattle and sheep business which is supplemented by income from two holiday cottages.

The farm also contained damaged peatland, including up to 163,913m of hill drains which were eroding. In 2024 and 2025, using a combination of Peatland ACTION funding and support from the Flow Country Green Finance Initiative, Joyce restored over 883ha of peatland.

The work was delivered in two phases (Aug-Dec 2024 and Aug-Nov 2025) by a local contractor and involved installing peat dams, zippering, reprofiling drains and gullies, creating surface bunds and reprofiling large hags.

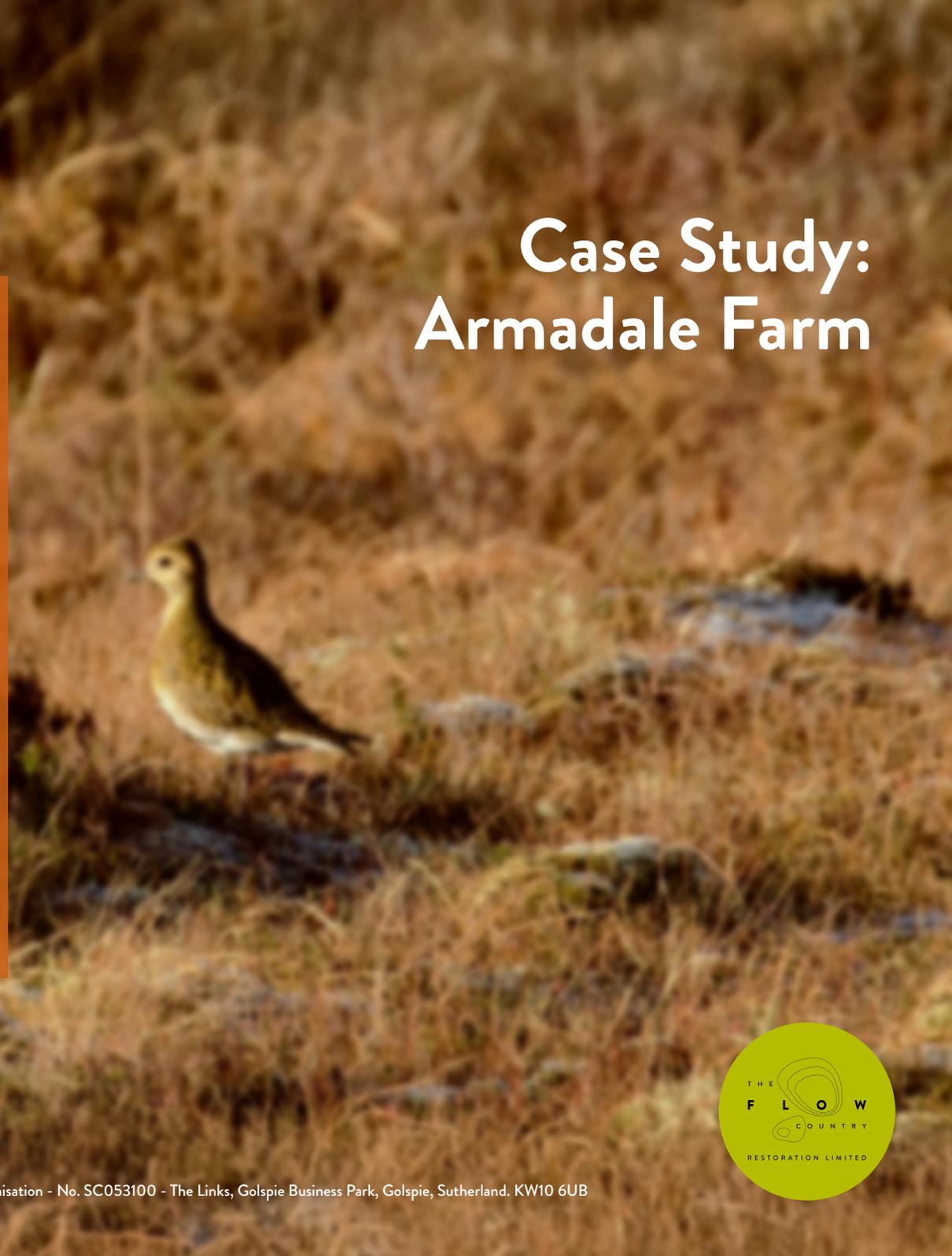


Case Study: Armadale Farm

Joyce says that peatland restoration is already benefiting her farm by reducing black loss and the number of sheep getting trapped in drains.

It has also helped future-proof the business against any future introduction of a carbon tax from modified drains, as well as providing a future source of income from the carbon credits the project has generated.

A strong supporter of the work of the Flow Country Partnership, Joyce said that she is delighted with the results of the restoration and is happy to share her experiences with other farmers and crofters who might be interested in carrying out their own projects.



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Photography Credits

- Flow Country Landscape: Steve Moore
- Flow Country Conference: Marcus Evans
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- Red Deer: Lorne Gill
- Armadale Farm Restoration: Joyce Campbell
- Achentoul Estate Restoration: Kirsty Mackay
- Flow Country Conference: Marcus Evans
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- The Flow Country: RPSB Forsinard Flows Restoration Team
- The Flow Country: RSPB Forsinard Flows Restoration Team
- Armadale Farm Restoration: Joyce Campbell
- Golden Plover: Joyce Campbell
- The Flow Country Sunset: Audrey Parsons
- Sheep Dog at Work: Joyce Campbell
- Red Deer: Lorne Gill
- Crofting: Andy Hay



