

7 November 2011

RO Sustainability Policy Development Team  
New Scheme Development  
OFGEM  
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Dear OFGEM

**Renewables Obligation : Sustainability Criteria for Solid and Gaseous Biomass for Generators >50kW**

The Ulster Farmers' Union (UFU) is the largest farming organisation in Northern Ireland representing over 12,500 farming families. The farming community is the main stakeholder in the land-based renewable energy sector and therefore the UFU welcomes the opportunity to respond to the OFGEM consultation Renewables Obligation : Sustainability Criteria for Solid and Gaseous Biomass for Generators <50kW.

Our members have a dual role to play in this industrial sector, in that we are growers of biomass feedstocks and also generators. In which case, the proposed Sustainability Criteria will have a significant direct and indirect impact upon our members.

The UFU does not deny the need for such criteria, as sustainability is a major issue in the heavily forested areas of the EU, including part of the UK, but not so much here in Northern Ireland.

Being a devolved region within an EU member state, we feel that a light touch should be applied to Northern Ireland when the Sustainability Criteria is considered. Our reasons are given below;

- **The agricultural and geographical landscape in Northern Ireland**

Northern Ireland is set apart from the rest of the UK in terms of our farming landscape as well as the way we farm. Northern Ireland has a land area of 1,351,650 hectares (ha) of which 1,028,500 is utilised agricultural area (UAA). Table One below illustrates land use here in Northern Ireland.

**Table One - Land use 2010 (thousand hectares)**

	Crops	Grass and rough grazing	Woodland	Other land	Total land area
<b>Farms</b>	56	920	10	8	994
<b>Common grazing</b>	-	37	-	-	37
<b>NI Forest Service</b>	-	-	61	14	75
<b>Other areas</b>	-	-	17	228	245
<b>All land</b>	56	957	88	250	1,351

(Source – Statistical Review of Northern Ireland Agriculture 2010)

Our point is further illustrated by table two which goes into further detail on forest cover and compares ourselves with neighbour areas.

**Table Two – Forest area**

	Forest area (000 ha)	Total land area (000 ha)	Forest as a % of land area
<b>Northern Ireland</b>	85	1,345	6.3
<b>UK</b>	2,845	24,088	11.8
<b>France</b>	15,554	55,010	28.3
<b>Finland</b>	22,500	30,447	73.9
<b>Sweden</b>	27,528	41,162	66.9
<b>EU27</b>	155,584	419,185	37.1
<b>World</b>	3,952,025	13,052,852	30.3

(source – FAO Global Forest Resources and Assessment 2005 – Annex 3 Global tables)

The key column above is the percentage of land area in forest. The EU27 woodland cover is 37.1%. GB has cover of 11.8% and half of that again is Northern Ireland with a miniscule 6.3%.

It is highly improbable that the area of forest cover will change in Northern Ireland, with the demand for grassland access and little or no forestry schemes available.

What this illustrates is that the woodland area is miniscule in Northern Ireland, especially when compared with GB and continental Europe. This would question how applicable Sustainability Criteria would be for this type of solid biomass grown in Northern Ireland.

Since these types of solid biomass are scarce, there is pressure on alternative biomass crops in NI, short rotation coppice, miscanthus, straw and manure.

- **Northern Ireland and its land border with another EU Member State**

The impact of our reliance upon these types of biomass is further put into focus when you consider that we are the only region of the UK which has a land border with another EU member state. Being another Member State they have differing taxation policies and renewable obligations to our own. In the Republic of Ireland, they have a carbon tax, which is expected to reach 15% by 2015 and no sustainability criteria obligations.

What this means is that cheaper biomass will be available in Northern Ireland and this will be imported by RoI to counter their own carbon tax. This will further increase the scarcity of endogenous biomass in Northern Ireland, driving up the price of the indigenous stocks and make it difficult for local producers to meet demands.

- **Fledgling biomass sector**

The Biomass sector in Northern Ireland is still at a very early stage in its development. It is a common view that we are behind GB when it comes to renewables policy. This is demonstrated by the fact that the NI Executive is still to introduce an energy act, which itself has been in place in GB for a couple of years. Without this primary legislation, NI Renewables sector is at a disadvantage to GB. There is a danger that applying the Sustainability Criteria in a blanket manner will further hold back the Biomass sector.

- **Conclusion and recommendation**

One of the stated benefits of the Sustainability Criteria is the creation of a level playing field across the UK. Currently the playing field, as viewed in the tables above is showing a very steep gradient and whilst this continues the possibility of creating anywhere near a flat playing field is highly unlikely.

The UFU are in doubt that there is a need for Sustainability Criteria, however, a one-fits-all approach cannot be taken, when a region such as Northern Ireland has many differing variables which need to be taken into consideration.

Hence, the UFU would ask that OFGEM to consider the views of stakeholders in Northern Ireland and apply the criteria according to our unique farming characteristics and geographical landscape, as this one-size-fits-all has the potential to derail our fledgling biomass industry. The UFU are calling for a regional approach to Sustainability Criteria with Northern Ireland working out how to apply these criteria to our own set of circumstances.

If you would like to discuss this further, please feel free to get in contact.

Yours sincerely,



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**Policy Officer**  
**Ulster Farmers' Union**