

## **Delivered at 12<sup>th</sup> IrBEA conference, Kilkenny, 21<sup>st</sup> February 2013**

(Tom Bruton, IrBEA President)

A chairde, tá athas oirm failte a chuir romhaimh go dtí an dóú comhlucht déag do Cummann Bithfuinneamh na hÉireann.

Ladies and gentlemen, I am delighted to welcome you to the 12<sup>th</sup> national conference of the Irish Bioenergy Association.

I've been asked to speak about the state of the bioenergy industry in Ireland. It would be all too easy to adopt a pessimistic outlook and list the myriad of challenges faced by the sector. There's no disputing those challenges and the difficult economic backdrop we face in Ireland. Indeed there have been some prominent business closures during the last year. Nevertheless there are many opportunities and several reasons to be positive for the future of the industry.

Our chronic energy security situation has not gone away. Despite some oil and gas finds, we continue to import 89% of our energy. A Eurostat survey released last week put us behind 23 other EU countries, with only Malta, Cyprus and Luxembourg importing more energy than Ireland.

The effects of climate change continue to manifest themselves. There has been a marked increase in extreme weather events over the last few years. There is a growing body of evidence and consensus that these are linked to climate change.

Bioenergy has a key role to play in halting and reversing the negative effects of climate change. Our national and European renewable energy targets remain in place and are based on substantial growth in bioenergy by 2020.

The members of the Irish Bioenergy Association and our colleagues in the European Biomass Association continue to strive for a level playing field with fossil fuels. I'm convinced the best way to promote renewable energy is through recognition of the cost to our society of carbon emissions. To give credit, Ireland is one of only four countries in the EU to introduce a carbon tax so far, and there is no doubting the political challenges of introducing a carbon tax. Nevertheless I contend that we need to move from €20/t C towards €100/t to make bioenergy competitive and have a material impact on consumer behaviour.

The importance of biomass in renewable heating cannot be overstated. We will require hard work, a coherent industry, political commitment and enlightened policy to reach our renewable heat targets. We have to go from 5% to 12% fossil fuel displacement in a few short years. We can perhaps learn from the success of the Renewable Heat Incentive scheme in the UK where 171MW of boilers were installed during the first year of the schemes operation. This scheme is also now operational in Northern Ireland.

On the 22<sup>nd</sup> of April we will welcome 200 international visitors to the European renewable heating and cooling conference in Dublin's convention centre. This is an official gathering event and endorsed by the Irish EU presidency. Let's embrace this opportunity to highlight progress in renewable heating and district heating systems across Europe.

IrBEA continues to develop and promote the Wood Fuel Quality Assurance scheme. This is an important tool for consumer confidence in wood fuel products. I encourage you to stop by the trade stand outside for more information.

Through a European project we will send a delegation to Austria next month to visit a number of biomass heating projects. This will be an opportunity to learn from others but also a great opportunity for our members to work more closely together to grow the biomass heating market here at home.

The Wood energy group of IrBEA has been working hard to promote public procurement of renewable heat from biomass. We will hear a talk later on the topic.

The late Shane McEntee had really taken this mission on board and worked with our committee on biomass heating in public buildings. We will miss him as a lateral thinker and a champion of bioenergy.

Let me turn to the issue of land use. The long running food vs fuel debate continues. It is my belief that this issue keeps coming up due to the disconnect between consumers and farming. People forget how critical energy is to all aspects of our daily lives, including food production.

It requires 35 litres of oil to till an acre of wheat... or 60 litres of oil to produce 1,000 l of milk. These are farm gate figures and exclude processing, distribution and marketing. We should also keep in mind that half of our food is wasted after it leaves the farm.

At a policy level, the ambition of FH2020 is praiseworthy, but it is impossible to deliver without a sustainable and secure energy supply. We need to work closely with our colleagues in agriculture to cultivate the link between food AND fuel.

That being said, we do need to acknowledge that land and indeed water are finite resources. We need to commercialise technologies that deliver new feedstocks to the biomass and energy mix. We also need to continuously optimise the use of biomass already to hand. We should get behind our researchers, innovators and creative thinkers in pursuing this goal. I'm not just talking about the traditional state funded research, but I'm also talking about our businesses and entrepreneurs rowing in behind the effort.

I'm just back from 2 weeks in Iowa, USA where I was hugely impressed by the co-ordinated industry and academic push to commercialise biofuels from crop residues such as straw and other organic waste. I'm hoping Elaine Groom may take some time to cover this issue today.

Anaerobic digestion plants can also help us meet our renewable energy targets while also delivering many environmental benefits. The IrBEA AD group has developed a digestate standard which we will hear more about later today. The group will also be doing more work to facilitate the certification of high efficiency CHP by the regulator. We need to get to a point where more biogas projects are obtaining project finance.

This time last year we launched an economic study that identified significant employment and economic development potential. Our credible independent estimates highlighted the need for

€1.5billion investment and highlighted the 3,000 jobs that can be created through meeting our 2020 targets.

I'd like to acknowledge the generous support of our main sponsors today Coillte. I also wish to pay tribute to the hard working committee and executives of IrBEA in organising the conference.

I encourage our members to stay for the AGM later and to continue to engage with IrBEA. It is only through engagement with you, our members that the work and aims of IrBEA remain relevant. If you are not yet a member, please stop by our stand or come and see me or any of our committee.

So let's get started with a positive day of learning, networking and collaborating.