

7th December 2021

Organics forum meeting

Chair - Dr Becky Wheeler





@REAssociation
REA ORGANICS

Decarbonising the economy

Housekeeping for the meeting

- All please join as muted
- Please raise your hand to ask a question
- Note where the chat is should you have any questions or comments
- The session will be recorded for accurate note taking
- Participants of the meeting will receive a copy of the slides

Thank you



Webinar Agenda

- 1. Welcome Dr Becky Wheeler, REA Organics Chair.
- Update from Defra on the Net Zero Strategy, Environment Act and consultations – Alan Johnson, Senior Policy Advisor, Defra
- Update on EA activities Kathy Nicholls, Senior Advisor, EA
- Brief policy update Frank Gordon, REA
- REA Organics update Jenny Grant, REA.



Update from Defra on the Net Zero Strategy, Environment Act and consultations

Alan Johnson, Senior Policy Advisor, Defra



Defra update

<u>Timetable</u> (<u>update published</u> on .gov on 18th November)

- Environment Act 2021 has now gained royal assent. This will be followed by commencement arrangements and secondary legislation.
- Late October **Net Zero Strategy** and **Autumn Budget Statement** announce c£0.3bn commitment to food waste in 2023/24 and c£0.1bn in 2024/25 to fund food waste collections being in place by 2025.
- Consultation responses being analysed now expected publication early
 2022
- Followed by funding announcements, regulations and guidance ahead of the 2025 mandate.

Industry engagement

Thanks for input to recent requests for information from industry.

Update on EA activities

Kathy Nicholls, Senior Advisor, EA



Brief policy update

Frank Gordon, REA





COP26 and High-Level Policy Update

7th December 2021

Frank Gordon, REA Director of Policy





Decarbonising the economy

What did we expect from COP?





REA Official Observers to COP26

Attended numerous plenaries, negotiations,

side events, informal meetings and member events.

However... Most of the UK Government's COP26

related domestic policy changes actually happened

in the run up to the event, likely the attention of hosting



For example, end of sales for all new fossil fuel powered cars, vans, & domestic boilers, much more energy efficient new buildings, the end to diodegradable waste being sent to landfill and a commitment to a net zero electricity system, in the next 10-15 years

The agreements at COP should feed down into positive changes further down the line domestically and around the world – that is the whole aim – but that will take time and vary by country.





What actually happened at COP?



The Glasgow Climate Pact commits signatories to:

- Provide US\$100 Bn Funding to support adaptation efforts in less economically developed countries by 2023 (this was at the heart of the negotiations);
- The **'Phase down of unabated coal power'** as well as 'inefficient fossil fuel subsidies';
- **Carbon Market rules** (Article 6 of the Paris Agreement), enabling the trading of carbon credits between countries and companies;
- Review Nationally Determined Contributions (NDCs) in 2022, ahead of the Paris Agreement schedule.
- Range of other commitments on deforestation, Carbon markets, methane, a just transition
- One Sun, One World, One Globe commitment on transmission grids and renewables



Large businesses pledges at COP





- A third of the UK's largest businesses pledge to end their contribution to carbon emissions by 2050
- Together these firms, including represent a total market capital of £650 billion
- Globally, more than 2,000 companies of all sizes have joined the <u>United Nation's Race</u> <u>to Zero campaign</u> so far.

Methane Pledge at COP





- The US and the EU announced a global partnership to cut emissions of the greenhouse gas methane by 2030.
- The Global Methane Pledge aims to limit methane emissions by 30% by 2030, compared with 2020 levels.
- More than 100 countries have signed up to the initiative, first proposed by the US and the EU in September.

Update on UK Biomass Strategy

"There is widespread acceptance that biomass, including bioenergy with CSS and energy from waste, has a key role to play in achieving net zero. The question is where and how biomass is best used to deliver on our targets – whether that is for generating electricity or other purposes."

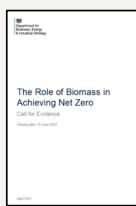
BEIS, Government Response to Climate Change Committee 2020 Progress Report to Parliament.







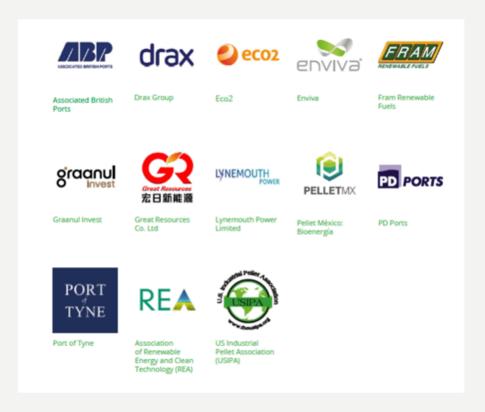




In advance of the publication of its Biomass Strategy which is expected next year, in November the UK Government published <u>The Biomass Policy Statement</u> - an initial strategic view on the role of biomass across the economy in the medium- to long-term.

Likely to be published alongside transport fuels policies in Q3/Q4 2022

Glasgow Declaration on Sustainable Bioenergy



- The Declaration on sustainable bioenergy was launched at COP26
- It represents a vision for the growth of the wood-based sustainable bioenergy sector over the next 10 to 30 years
- Sustainability must be at the heart of bioenergy's contribution to Net Zero.
- It includes a set of sustainability principles in four main areas:
 - Managing natural resources
 - Transparency and science-based carbon accounting
 - Protecting biodiversity
 - Supporting and protecting communities

What could this actually mean for renewable and clean tech companies?

- 1. The near complete recognition of the need to move away from coal power and 'inefficient fossil fuel support', that will feed through into investor and financier decision making;
- **2. A strengthened rulebook for carbon markets** globally (Article 6 of the Paris Agreement) should see increased confidence in these markets and may create new opportunities for carbon offset schemes (TBC);
- **3.** The results of the various agreements delivered in Glasgow **should feed into more supportive international policy for renewables** in several states around the world in the next few years, in particular the 'One Sun, One World, One Grid' initiative, though this will not be immediate.

All agreements sit outside existing UK renewable support measures, so no immediate consultations on UK policy changes are expected at this time.

Internationally, the level of possible support will come down to the detailed implementation of these initiatives.



Industry reaction



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 Momentum key – COP26 provides this, but ongoing process (eg 2022 revised GHG emission reduction commitments).

Recognition this is an international process so less
 European / UK focus.

- End of coal in particular very welcome.
- Recognition no immediate changes to European policy expected more of a gradual process and parts of the world 'catching up'
- Key is the detail and the implementation new support for clean tech?
- Direction of travel is now firmly set against fossil fuels internationally can only be positive for all renewables and clean technologies in the longer term.



Summary: Key outcomes for renewables and clean tech industry from COP26

- Stronger worldwide support for ending the use of (unabated) coal power which could lead to more renewable tenders internationally;
 - New rules for trading carbon credits which may lead to some financial support for international renewable projects;
- The 'One Sun, One World, One Grid' initiative may lead to new support for international solar, wind, energy storage, grid transmission and other renewable projects;
 - It will take longer for these commitments to feed into practical market changes but the direction away from fossil fuels for the majority of countries is clear.

REA has dedicated COP26 information on our website for members: r-e-a.net

Further information:

fgordon@r-e-a.net



Summary: Recent Government Net Zero Policy commitments

- Sixth Carbon Budget: 78% target reduction in GHGs by 2035
- Green Gas Support Scheme (GGSS) now operational & REAL's GGCS approved certified scheme;
- £338m for Heat Network schemes
- Net Zero electricity grid 'target' by 2035 & National Planning Policy for energy under review;
- Phase out of installation of new fossil fuel boilers in large non-domestic buildings by 2024, new homes by 2025/26, in Existing off gas grid homes by 2035;
- Ending sales of new fossil fuel powered cars, light vans (2035), HGVs and Busses (2040, TBC), motorbikes and coaches (2040, TBC). No phase out date yet for such agricultural, construction, off road vehicles;
- Move to hydrogen usage in industry, transport (planes, HGVs) 5GW UK production target by 2035 and new support under development;
- Funding for industrial and public sector decarbonisation projects (though not huge!) and UK Emissions Trading Scheme now in place;
- ELMS and Local Nature Recovery Scheme trials;
- Sustainable Farming Incentive Pilot;
- Environment Act & Waste and Resource Strategy to end biodegradable waste to landfill (2025 domestic waste, TBC for I&C?).

Further Updates

New Defra Minister

Jo Churchill – new waste and resources minister at Defra Formerly public health minister at the DHSC REA have written to her to welcome her to the role



UK Innovation Funding

- Government has committed over £2billion to innovation in areas relating to Net Zero (the Net Zero Innovation Programme)
- This includes areas from zero emission buses and clean heat schemes to hydrogen and longer duration energy storage projects.
- Project consortia could be looking for locations or partners for project bids

Government Low-Carbon Funding Opportunities Database

A comprehensive list of available funding is available from the REA

<u>Link to REA Innovation Support funding opportunities</u>



Thank You

Frank Gordon

Director of Policy, REA

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REA Organics update

Jenny Grant, REA.





We exist for the benefit of our members - you.

We aim to help in many ways. This year has been far from business as usual but we've been busy on your behalf and hopefully this update gives a flavour of some of the work we've undertaken over the past year. We would be delighted to hear from you and discuss any issues you may have or to speak about we can help you.

COVID-19: business continuity, recovery and the new normal

During the pandemic, we prioritised business continuity support for our members and put together a log of issues raised by members and had regular calls with the Defra, Energy Minister, BEIS, Scottish Government and Senior level centact with all relevant Government Departments.

We set up a dedicated webpage and a member briefing note which was updated regularly. We took direct action on various issues including clarifying the waste sector as keyworkers, prioritising waste collections, propane contingency plans, feedstock supply, RHI Tariff Guarantees commissioning deadlines, technical competence, networking surplus food stuffs and communicating regulatory positions.



RE.

- Current consultations
 - Single use plastics (deadline 12th Feb)
- Upcoming consultations
 - Clean Air Strategy (early 2022)
 - Covers for slurry and digestate stores
 - Low emission spreading for digestate
 - Rapid incorporation of manures
 - Likely summer 2022 at earliest for regulations
 - England Peat Action Plan (by end of year)
 - Banning sale of peat and peat containing products in amateur horticulture
 - Call for evidence
 - Fertiliser Regulations
 - Including compost and digestate
 - Spring 2022



- Quality Protocol revisions
 - Funding from industry
 - QPs remaining in place during revision
 - Workshops with industry on 9th and 10th June
 - Task and finish groups formed
 - First meetings 20 & 21 December to agree scope of revisions
- HGV drivers
- Supply chain issues
- Red diesel
- Farming Rules for Water
- HSE visits to AD sites
- WRAP Organics Roadmap
- Compostable materials





HEALTHY SOILS • HEALTHY PLANET

https://www.youtube.com/watch?v=QfyyP5Q56KQ&feature=youtu.be



Questions?

Thank you

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