

# *Immediate Opportunities for Biomass*

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National and Regional Context

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Rural Development Programme for England

Advantage West Midlands

# Industry & Government Drivers

- 4 key areas
  - Energy – diverse, secure supply; reduce demand
  - Low carbon – reducing CO<sub>2</sub> & climate change
  - Waste – resource efficiency
  - Rural - supporting development of supply chains; diversification

## Deliver 2 key benefits

- Business competitiveness – eg reduced costs oil >\$100/barrel?
- Sustainable Development

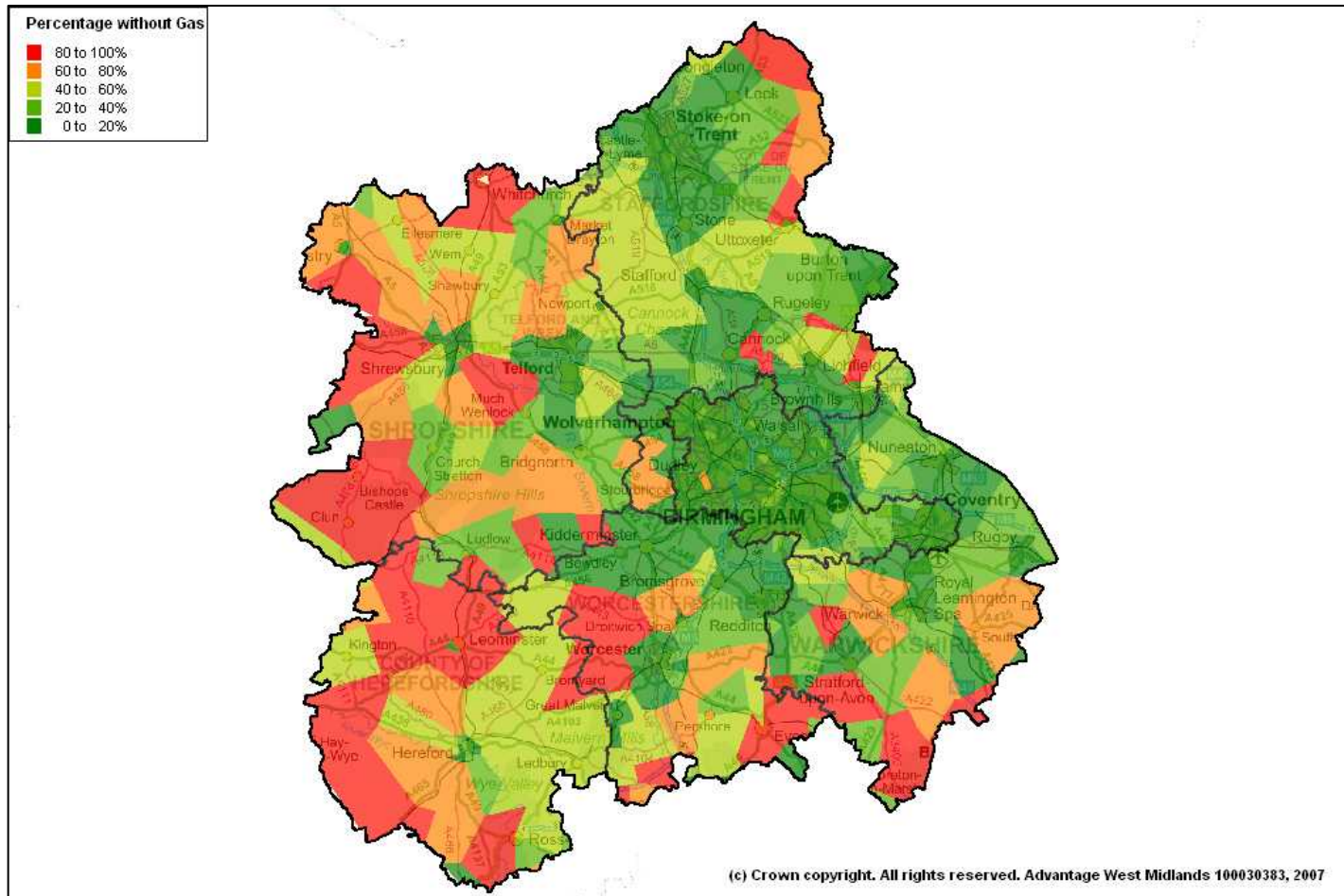
## Background

- Kyoto
- Energy White Paper
- Regional Energy Strategy
- UK renewable energy targets of 10% by 2010
- UK Govt targets to reduce CO<sub>2</sub> emissions 20% 2010, 60% 2050
- Renewable Transport Fuel Obligation – 5% by 2010, 10% 2020

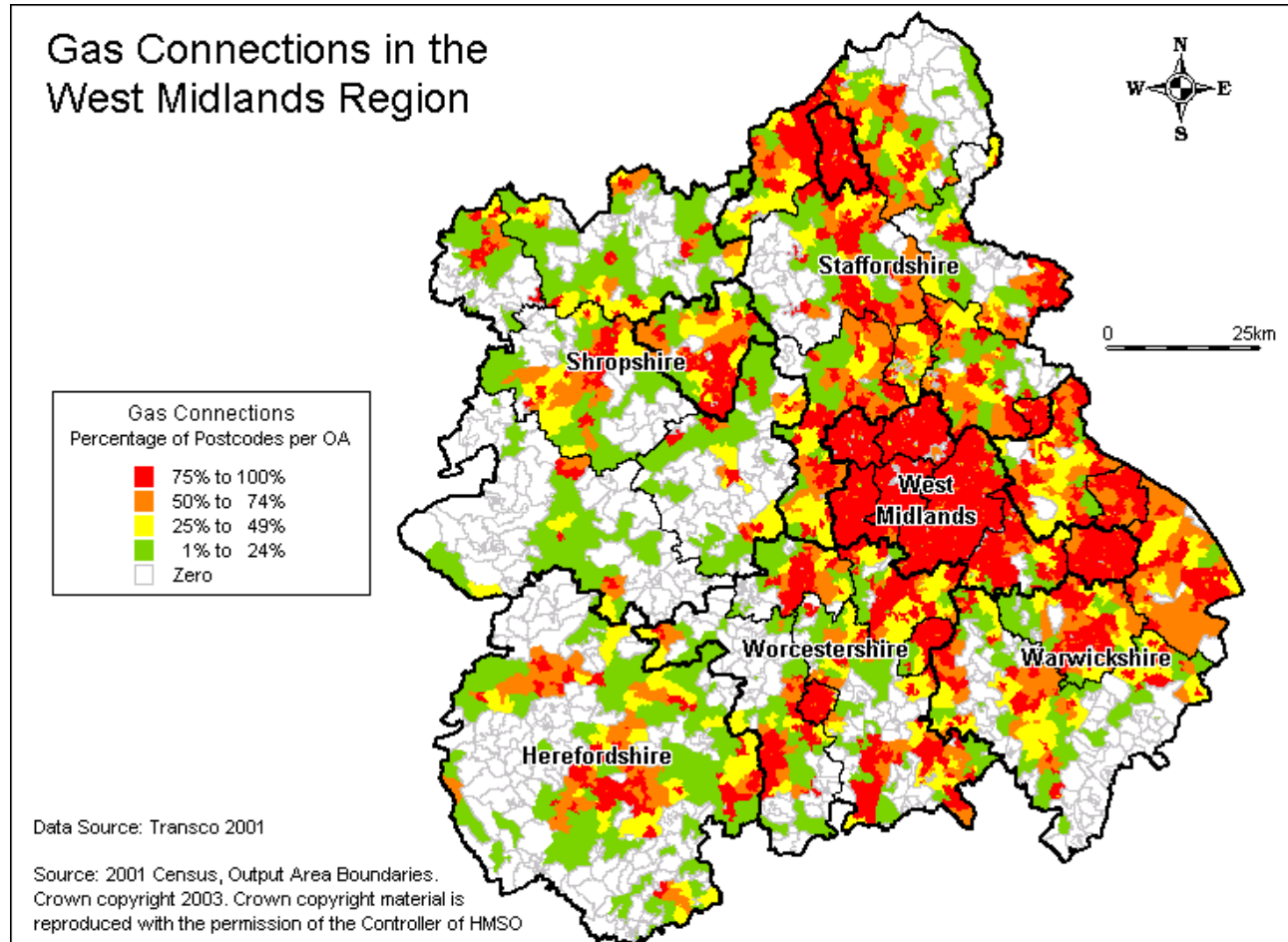
# Regional Opportunities

- Supply
  - industrial crops such as SRC, Miscanthus, OSR, Wheat
  - low grade timber
  - waste materials
- Demand
  - WM can already use range of renewable energy sources
  - Significant opportunities for rural businesses in both fuel supply and energy retail markets (ESCos, Social enterprise)
  - Energy demand mapping
- Proven Technology exists
  - Farming to Energy & Waste to Asset demonstrators
  - Wood heat programme
- Infrastructure considerations
  - grid connection, capital investment, etc

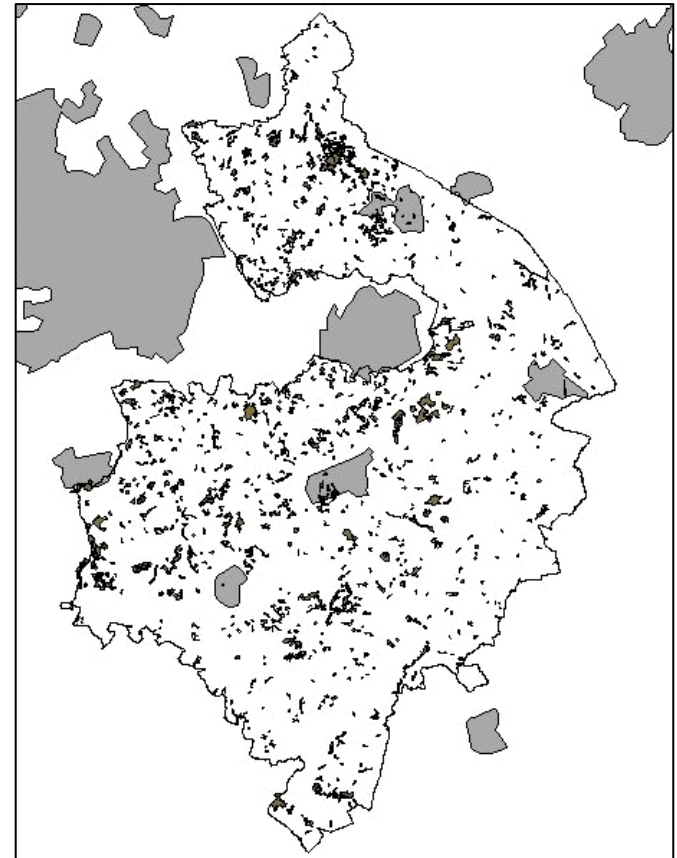
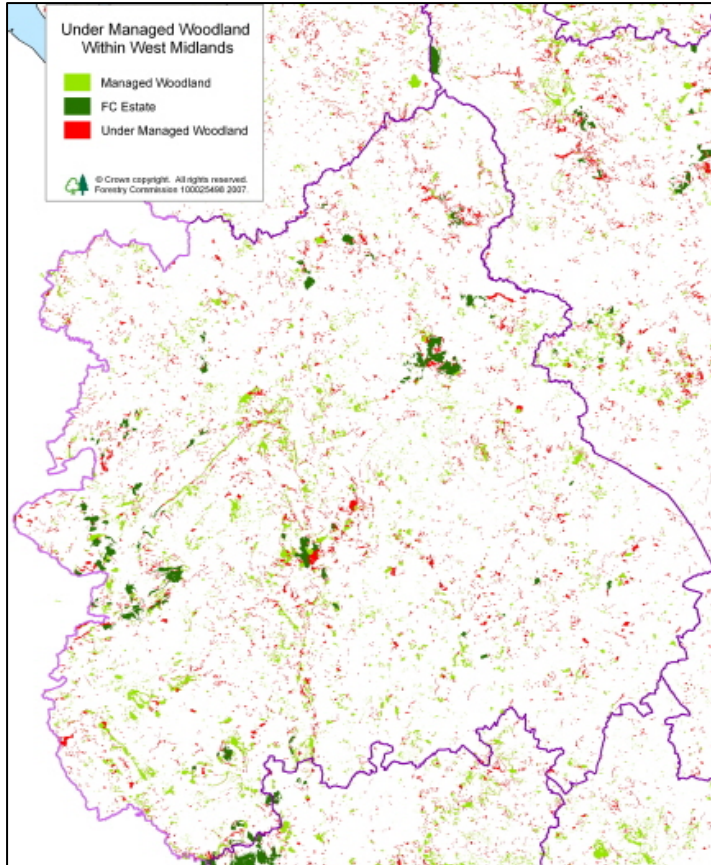
# Regional Opportunities



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# Regional Opportunities



# Energy Crops Statistics (ERDP)

Year planted / scheduled	Area of Miscanthus (ha's)	Miscanthus ERDP support payments (£)	Area of SRC (ha's)	SRC ERDP support payments (£)
02/03	3.46	3,182.2		
03/04	101.3	93,239.2		
04/05	193.58	178,093		
05/06	466.6	428,755	3.12	3120
06/07	855.69	799,364	17.46	17,460
07/08	16.05	14,766		
<b>Totals</b>	<b>1636.68 (ha's)</b>	<b>£1,517,399.4</b>	<b>20.58 (ha's)</b>	<b>£ 20,580</b>

# Biomass supply

- Growing market with proven technology
- Growing public sector support for biomass
- Fragmented market with opportunities for entry to market at present
- Co-operative friendly
- Replicable across the country
- ESCo models for supply chains selling power to customers at small scale
- Emerging interest in medium scale projects will potentially substantially increase the market demand for biomass fuel in the short term

# Regional approach

## Policy

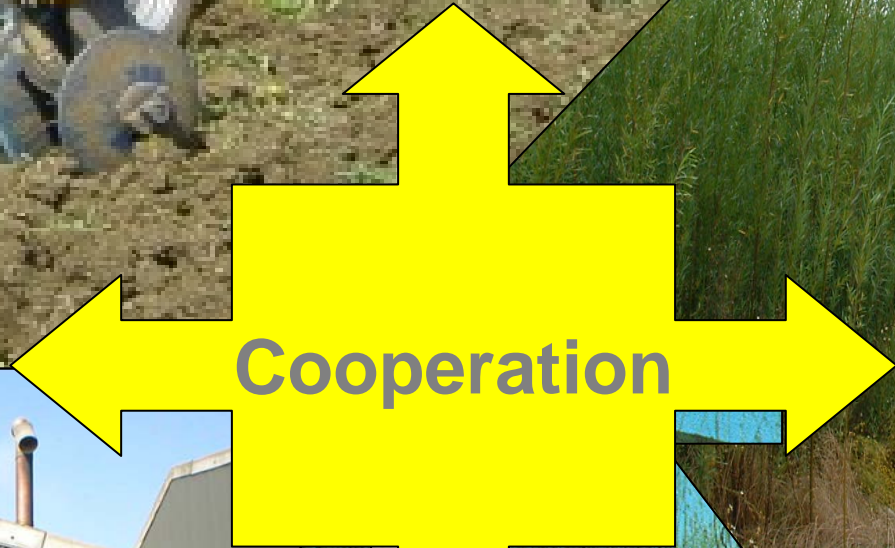
- Energy Office
- Regional economic strategy

## Practice

- ET Cluster – Eccleshall, Greenfinch
- RRZ
- Skills – EBOP, etc
- RDPE
  - Supply chain development
  - Closer working between waste management and energy

## Information, learning and networks

- Bioenergy West Midlands
- European Learning (RICE)



# RDPE – Environmental Technologies

- Land based sector beneficiaries (agriculture & forestry)
- Strategic packages with collaborative element
- Flexible nature
- Could be built well around major projects or clustering (ESCos)
- Development of bioenergy supply chains considered a key theme with support for capital infrastructure envisaged
- £1.6m/yr, £11.3m total
- priorities: bioenergy supply chains; environmental products/services; waste & recycling; training & knowledge transfer
- funding anticipated to early 2008

# Further information

- Axis 1 & 3 – RDPE & LEADER approach
- <http://www.advantagewm.co.uk/working-with-us/rural-development-programme-for-england.aspx>
- LEADER – detailed projects – contact your local authority
- Axis 2 – Natural England  
<http://www.naturalengland.org.uk/planning/grants-funding/default.htm>
- Axis 2 – Forestry Commission  
<http://www.forestry.gov.uk/forestry/infd-6dccen>

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