

Written evidence for the Committee for Agriculture, Environment and Rural Affairs (AERA Committee)

Re: Climate Change Committee Advice for Northern Ireland in relation to the 2050 emissions reduction target

Northern Ireland Food and Drink Association (NIFDA)

The Northern Ireland Food and Drink Association welcomes being approached by the Committee for Agriculture, Environment and Rural Affairs as well as the opportunity to feed in our members' views regarding the Climate Change Committee Advice for Northern Ireland in relation to the 2050 emissions reduction target.

The Northern Ireland Food and Drink Association (NIFDA) was founded in 1996 and is an independent, non-party political organisation funded entirely by its members in industry and commerce. NIFDA speaks for over 100 businesses in the food and drink and associated industries. NIFDA is the principal representative organisation for food and drink manufacturing in Northern Ireland representing over 80% of the sector by turnover. NIFDA also has sister organisations which are sector specific in full membership, including the Northern Ireland Meat Exporters' Association, the Northern Ireland Grain Trade Association. Taken together with our colleagues in the eating ecosystem, our members support over 100,000 jobs. This is approximately 20% of the entire NI private sector employment. Those jobs are non-urban with NIFDA members in all counties.

NIFDA is cognisant of the importance of environmental sustainability and very conscious of the responsibility, both as inhabitants of the planet and as an industry, to conserve natural resources and to play its part to protect global ecosystems, to support health and well-being now and in the future.

Like many companies and bodies, NIFDA has a set of Vision, Missions and Values which serve as a plumb-line for the association and its activities. One of the key values we espouse is being responsible for the planet so this is one of the criteria we voluntarily measure ourselves against.

The food and drink companies we represent, our members, share our desire to participate in the environmental conversation and to be part of the solution. As an illustration of our collective commitment to this agenda, NIFDA has established an Environmental Forum, which is comprised of representatives from some of NIFDA's largest companies who regularly meet to discuss environmental issues. This is a passionate group of committed individuals and companies who are keen for progress to be made on this agenda and as soon as possible.

The NIFDA Environmental Forum's views have been consulted in formulating this response.

We have reviewed and discussed the Climate Change Committee letter to the DAERA Minister and the DAERA response. NIFDA and the NIFDA Environmental Forum recently fed into a DAERA Climate Change Bill Discussion Document. We, therefore, recognise much of the DAERA advice in the follow-up letter as being familiar points - familiar in that we raised many of them ourselves.

Nearly 50% of all agri-food products produced in Northern Ireland are consumed in the rest of the UK, *'It is therefore fair that, as well as taking the right actions to reduce emissions from agriculture, some of these emissions are offset by 'sinks' that are located elsewhere in the UK'* (Climate Change Committee letter to Minister Edwin Poots December 2020). Thus, the target for Northern Ireland of a reduction of 82% from 1990 levels in all net Greenhouse Gases by 2050 is appropriate. As outlined in the DAERA letter of 1st of February *'a target of 100% reduction in the emissions of all net Greenhouse Gases would be an unfair and unnecessary burden on Northern Ireland in general and the agri-food industry in particular.'*

We would like to take this opportunity to build on the DAERA advice and highlight a few additional issues under the following broad headings:

1. Misperception about Agri-Food and why this might be misleading
2. UK carbon balance sheet and apportioning carbon cost appropriately
3. Livestock carbon productivity improvements as opposed to livestock reduction
4. Understanding of food production systems
5. Understanding the NI economy
6. The need for an NI model

We will address each of these points in the main body of the response below:

Main body of response

1. Misperception of Agri-Food and why this might be misleading

When it comes to preserving the environment and the issue of climate change in Northern Ireland, Agri-Food is often presented in a rather negative light with the connotation of it being "the biggest culprit". From our perspective however, for reasons which we are about to outline, this is a false and misleading assumption, and our concern is that it could lead to wrong decisions being made:

I. Climate change gas produced (methane)

We understand that, according to recent research by Oxford University, methane is short-lived in comparison to CO₂. Whilst this is alluded to in the report (in reference to ROI climate change plans), it does not appear to be explicit. We would contend, therefore, that the generation of this gas does not need to be balanced by a carbon sink but rather the rate of generation needs to be no greater than the rate of methane decline in the atmosphere to deliver zero sum impact.

II. Measuring point for CO₂

Should the CO₂ be measured at the point of generation or at the point of consumption? The premise for the question is borne out of the fact that NI

exports food, carrying a penalty in measurement, whilst GB imports food. Considering NI feeds 10 million people but its footprint is measured against a population of 2 million, we would question the approach of measuring CO₂ at the point of generation. Not only is this approach flawed, but we also think it is significantly misleading to the casual observer and likely to lead to the policy of off-shoring of food production, which does not solve the problem; it just moves it around.

The UK is setting out an ambitious plan to deliver on zero carbon emissions, and we share this ambition. The CCC rightly identifies that in the process of transition, costs may rise. For Agri-food in particular, we already feel the cost of Government policy differentials between UK and some other food production countries (UK: high integrity, high welfare, high regulatory cost, no hormone fed animals). Such policy differentials open the opportunities post Brexit of cheaper food imports which do not carry equivalent policy cost burdens. Leadership on climate change, without creating a level playing field in terms of impact on cost of policy, is more likely to result in off-shoring rather than carbon reduction. Consideration should therefore be given to a carbon tax on food imports to the value of the policy cost differential between the impact of UK world leading policy and global food supply chains not so invested in Climate change reduction.

2. UK carbon balance sheet and apportioning carbon cost appropriately

We recognise the need for a UK carbon balance sheet. In that context, we would contend that there should be explicit recognition in the AERA Committee commentary that it is only right that GB should meet the carbon cost of its consumption of NI produce. In the spirit of measuring and reflecting contribution and consumption, we would consider this to be a fairer approach as it ensures carbon costs are apportioned appropriately.

3. Livestock carbon productivity improvements as opposed to livestock reduction

We understand that implementing livestock reduction in and of itself will achieve nothing as UK demand will simply be satisfied by other countries. Whilst consumption reduction could be contemplated to a certain extent, what is actually needed and what appears to be missing is a focus and more of an emphasis on livestock carbon productivity improvements, and this is where measurement and policy should focus.

4. Understanding food production systems

It is important to have a good understanding of the food production systems that have been factored into the pathways. We would be interested to know whether account has been taken of trends in productivity improvements in livestock reduction that reduce their carbon footprint or is the assumption that the position is static? If the assumption is of a static position, we risk overlooking an opportunity to achieve target by livestock productivity. Achieving target by livestock productivity should be encouraged as part of the mitigation strategy.

For example:

- I. 2 cows in NI produce the same amount of milk as three cows in Ireland due to our hybrid feeding systems, 80% grass and 20% concentrate (by volume consumed), employed in NI, 2, which maximises milk yield per animal
- II. Poultry in last thirty years have achieved 2.2kg weight in 38 days, used to be 2.2kg in 90 days (30 years ago)
- III. Beef - fast finishing systems: rear to finish in 24 months rather than approximately 30 months; animal generating methane only 20% less time reduces carbon footprint per kg of beef

The shorter the life cycle, the lower the carbon footprint; also grass-fed beef and soil sequestration.

It is not clear what work has been done to understand the full carbon cycle of, for example, livestock product to drive up the carbon productivity of those systems. According to livestock productivity in DAERA reports on, for example, litres of milk, where there is a large spread in performance, driving up the bottom quartile performance could reduce the number of animals but deliver the same amount of milk.

5. Understanding the NI economy

A good, general understanding of the NI economy is key to transcribe GB proposals to the context of NI in an effective way. Here are two examples to illustrate this:

- I. The scenarios tabled at UK levels refer to such things as gas network conversion, with pilots and trial to switch to hydrogen, and the headwind scenario talking about 2030 due to the challenges of retrofitting the GB gas network.

Because NI network is fairly new and is “plastic”, it can handle hydrogen without the retrofitting necessary in the GB network. One might have anticipated that this would come through as a strong recommendation for early transition. This is not evident, however, which supports the view that the NI

economy is not understood well enough to allow GB proposals to be transcribed to NI in an effective way.

- II. NI also has the opportunity to substantially roll out gas network and gas network penetration. We understand Belfast has only switched circa 50% of the number of homes who potentially could have access to gas. Again, the overall concern is that a national model makes assumptions around current penetration which do not fit the local economy, not recognising the unique characteristics. Whilst the paper does recognise some differences, it fails to grasp the opportunities arising from those differences: eg gas network limited to opportunity to switch to hydrogen, ie missing the first step which is switching from oil to gas.

6. Need for an NI model

According to the Department for the Economy Energy Strategy Bulletin 5 (web link below), there is a need for a Northern Ireland model. *'This is because the majority of UK-wide models either do not account for NI or apply a simplified approach which does not account for indigenous NI characteristics, such as its geographical position, abundant renewable resources, predominance of home heating oil or our rural population. Therefore, these models are not able to provide optimal solutions for the NI energy transition.'*

<https://www.economy-ni.gov.uk/sites/default/files/publications/economy/Energy-strategy-e-bulletin-issue-5.pdf>

Based on this statement and the points we have raised in this submission, how comfortable, or how appropriate, is it for the CCC to be making recommendations to the NI Executive?

Summary of key recommendations

[Please note all recommendations should be caveated with the phrase "as we understand it..."]

- A. Generation of methane does not need to be balanced by a carbon sink but rather the rate of generation needs to be no greater than the rate of methane decline in the atmosphere to deliver zero sum impact
- B. Consideration should be given to a carbon tax on food imports to the value of the policy cost differential between the impact of UK world leading policy and global food supply chains not so invested in Climate change reduction.

- C. CO₂ should arguably be measured at the point of consumption
- D. Carbon costs should be apportioned appropriately eg GB should meet the carbon cost of its consumption of NI produce
- E. Effort should be focussed on livestock carbon productivity improvements rather than livestock reduction
- F. There needs to be increased understanding of food production systems that are factored in to pathways
- G. Account needs to be taken of trends in productivity improvements in livestock reduction that reduce carbon footprint
- H. Opportunities need to be seized to achieve target by livestock productivity and encouraged as part of mitigation strategy
- I. There needs to be increased understanding of the full carbon cycle of livestock product to increase carbon productivity
- J. There needs to be increased understanding of NI economy to transcribe GB proposals to NI – not an exact read-across, opportunities arising from differences?
- K. An NI model needs to be developed to provide an optimal solution to the environmental context in NI