Dear Exchequer Secretary,

I am writing to you as Chief Executive of the Anaerobic Digestion and Bioresources Association, to make representations on behalf of our industry in advance of the Budget, namely around support for funding mandatory food waste collections and recognition of anaerobic digestion as an innovative sector – with support for a ground-breaking research programme that could transform our industry to allow it to take maximum advantage of the industry’s £1tn global market potential.

With our members, we promote the economic and environmental benefits of anaerobic digestion in the UK. We represent organisations from many sectors including AD operators and developers, AD equipment providers, water companies, farmers, food & drink retailers, waste companies, universities and more. I was very pleased to note you speaking on a panel at the recent Conservative Party Conference about the importance of clean energy generation and support for innovative sectors as part of your Treasury remit. This is especially timely given the alarming findings of the new IPCC report into climate change, which warns that we are on course for a devastating temperature rise of 3.5°C without immediate and strong action by governments. AD has the potential to reduce global emissions by nearly 20%.

Support for funding separate food waste collections

To support the viability of the AD industry, and ensure organic material is diverted away from landfill, our operators need the certainty of a regular supply of feedstock for their plants – inedible household food waste being a key part of this mix. For food that cannot be redistributed or otherwise reused further up the waste hierarchy, AD is the most environmentally friendly, cost-effective solution. Instead of burning it, or sending it to landfill, AD plants could potentially turn it, together with other organic wastes, into 30% of the UK’s household gas or electricity demand. This means less food waste to landfill, stable energy prices, and fewer carbon dioxide emissions – with 35,000 potential jobs too, predominantly in rural areas. This would also contribute to achieving many of our aims under the UN’s Sustainable Development Goals and to security of energy supply.

Unlike Northern Ireland, Wales and Scotland, England does not have mandatory separate food waste collections, meaning that a significantly higher percentage of food waste is thrown away in general waste collections and ends up on landfill sites or incinerated. This is a scandalous waste of a valuable resource that should be reduced then recycled to provide the valuable benefits as described above, including reducing household bills. As such, we could encourage the Treasury to work with DEFRA to provide the relatively modest sum of money needed to roll out mandatory food waste collections in England ASAP. We have been making strong representations to officials and Ministers in DEFRA, BEIS and indeed at the Treasury, and I am enclosing our proposals for funding and costings for this policy, which we would like to see incorporated into the forthcoming Resources and Waste Strategy. There are 70 local authority waste collection contracts up for renewal over the next 3 years – all of these need to be supported to ensure the
services they introduce now will be making the most of household waste over the next 20 years. Biowaste collections will in any event become mandatory by Dec 2023, so it will be far cheaper to fund these today than in 5 years’ time.

Evidence from Wales for introducing mandatory food waste collections in reducing food waste, boosting recycling rates and diverting food and dry recyclables from landfill and incineration is compelling. As you may be aware, in 2010 the Welsh Government published an overarching strategy for waste entitled *Towards Zero Waste: One Wales One Planet*. The strategy set out ambitions for the country to become a high recycling nation by 2025 and a zero waste nation by 2050. Delivery actions have been developed in a series of sector plans, the Waste Prevention Programme and the Technical Advisory Note 21 on land using planning and waste management. Welsh recycling rates in 2012 were 52%—since mandatory food waste collections were introduced this had risen significantly to 64% by March 2017, the most recent date verifiable data is available.

Apart from helping to achieve our European obligations under the Waste Framework Directive, supporting measures to increase food waste recycling by AD will:

a) reduce our methane emissions and help meet our Carbon Budgets at a comparatively low cost;
b) produce renewable energy —critically in the form of an ultra-low carbon gas - also contributing to a low carbon economy; and
c) recycle soil nutrients and organic matter which will contribute to improved carbon sequestration in soil- 40% of the world’s soils are suffering from erosion and part of the cause is a lack of organic carbon —this can be countered by the high quality digestate that is a by-product of anaerobic digestion.

**Research and Innovation**

We believe an agri-tech sector deal should be established with AD having a central role. The agricultural sector accounts for 9% of UK emissions - to meet our Carbon Budgets to 2050 and to ensure the future of farming is environmentally and economically sustainable the UK must encourage low carbon agriculture. The Committee on Climate Change (CCC) recognises agriculture as a “hard-to-reduce sector” and AD provides one means of going beyond the sectoral reduction recommended and put forward in the CCC’s fifth carbon budget analysis. AD also has a key role to play in improving UK soil quality, biodiversity and supporting the rural economy – all of which can help reduce the agricultural payments farmers currently receive through the EU’s CAP and which any subsequent domestic agricultural policy would have to provide.

According to new estimates, there is the potential for £17.5 trillion worth of low carbon investment in emerging economies between now and 2030. As the UK redefines its place in the world post-Brexit, trade and research policies that align with the new Clean Growth Strategy will allow the UK to take advantage of a new and exciting market in some of the fastest growing economies around the globe. We believe that research priorities must open up opportunities that will benefit the UK for the coming decades, focussing on the technologies of tomorrow.

With targeted government support for research into our sector, we could supercharge our industry and put it at the cutting edge of agricultural science. I am enclosing a note regarding our proposed virtual Centre for Anaerobic Biotechnology and Bioresources Research (CABB) that we have recently discussed with Sir John Randall at No.10. As the note says, developing new waste management technologies would provide a boon to British exports, but also transform the sector’s performance to eliminate the need for further future subsidy.

The objective of this will be to transform AD, which is currently often perceived solely as a waste treatment technology, into a low cost multi-functional biotechnology. It would make AD a key ingredient in developing integrated processes to deliver future energy and resource provision. It will achieve this by bringing together and coordinating the research input of often disparate groups, to ensure the inter-disciplinarity contacts needed to achieve rapidly the full potential of anaerobic biotechnology.
Additionally, anaerobic digestion has the potential to support four of the five UK Government’s global challenges: secure and resilient food systems supported by sustainable agriculture; sustainable health and well-being; clean water and sanitation; and, renewable energy and materials, so AD must be a central part of any bioeconomy sector deal. The UK AD industry has grown by more than 350% over the last ten years and the UK has established itself as a world leader in biogas with UK companies already exporting biogas-related expertise and equipment. Given its world leading expertise, the UK AD industry has a real opportunity to be at the heart of the growing global biogas industry.

As Treasury Minister responsible for the Industrial Strategy, energy policy and climate change, I would urge you to consider support for AD and its associated programmes as we look towards the Budget and publication of the Resources and Waste Strategy, as well as in policy development in relevant sectors going forward. I would also welcome a meeting with you or relevant officials to discuss these important issues in more detail. As such, my office will be in touch to see if it is possible to find a mutually agreeable date.

Yours sincerely,

Charlotte Morton
Chief Executive