

**Remarks by the Chief Executive of Bord na Móna, Tom Donnellan to the
Climate Action Committee
20th November 2019**

Thank you Chair and Committee members for the opportunity of coming here today and outlining our Just Transition plans.

For Bord na Móna delivering a Just Transition is central to achieving an enduring climate action solution for Ireland and a positive outcome for our employees.

Last year we briefed you on our “Brown to Green” strategy which gradually repositions our Company away from peat towards renewables, recycling and other low-carbon businesses.

At the time, I made clear this transition was dependent on the successful conclusion of plans to the ESB’s plan to co-fire its two Midlands power stations with biomass and peat from 2020.

ESB Decision to Close its Power Stations

We had prepared for an eventuality where the stations would not co-fire. This became a distinct possibility following An Bord Pleanála’s decision to refuse planning permission for the West Offaly station.

In response, we worked with our Department, the ESB and our stakeholders to develop a Just Transition plan for our people. This plan offers them a choice between redeployment opportunities within Bord na Móna and an option to leave for a limited number and avoids compulsory redundancies.

I want to compliment everyone involved in concluding the recent peat supply agreement between ourselves and ESB. This avoids an immediate end to peat operations when the PSO expires in December and guarantees continued peat supply employment through next year.

Just Transition Announcement

The plan we announced on 16th October accelerates elements in our “Brown to Green” strategy and looks beyond the closure of the ESB stations to the next few years when our peat harvest will reduce by approximately 93% from a recent high in 2013.

To achieve our objective of sustainable employment, Bord na Móna will invest €1.6 billion over the next ten years and will create;

- **100 new direct jobs** and over 150 indirect jobs in the development of renewable energy assets,
- **100 new jobs** in new recycling operations,
- another **150-300 potential new jobs** in new green businesses from our herb, birchwater and aquaculture projects, and
- **210 redeployment opportunities** in an accelerated and enhanced peatland rehabilitation programme.

Peatland Rehabilitation

The programme of rehabilitating our bogs will be supported by the PSO funding that Minister Bruton and his department recently announced and are currently progressing.

We are currently developing detailed plans which will be communicated to staff in the coming weeks. Our initial analysis has identified bog areas in **five counties** delivering **210 redeployment opportunities** for our employees broken down by area as follows:

- 75 roles in former Blackwater group of Bogs in South Roscommon, East Galway and West Offaly.
- 30 roles in Boora Bogs in West Offaly
- 54 roles in Moundillon group of Bogs in North Roscommon and Longford
- 51 roles in Derrygreenagh bogs in East Offaly and Kildare

In addition, the funds allocated in the budget for the rehabilitation of NPWS peatlands means there is the potential for further job opportunities for our employees. I consider Bord na Móna to be well positioned to successfully tender for at least some of the contracts for this rehabilitation activity.

Together this will be a peatland rehabilitation programme of international importance that will yield significant benefits for Ireland in terms of biodiversity, carbon emissions mitigation and carbon sequestration.

The investment programme and rehabilitation plans mean that people impacted by recent decisions will have a choice to be redeployed across Bord na Móna either into rehabilitation or our new business projects.

Training and Reskilling

For those who may wish to leave our Company, we are allowing a limited amount of new applications for our voluntary redundancy scheme.

Training and reskilling was a priority of our transition programme last year when we had 1000 attendees at over 100 courses and training events offered by the Company.

Our comprehensive Employee Supports programme is open to all impacted employees, is already underway and has been extremely well received by people across the company. Amongst other measures it includes;

- Training Support Open Days and Crossroads Workshops – 590 attendees have so far participated in over 25 events, with 40 more events scheduled for the coming weeks,
- A Training Skills Audit & Analysis for every impacted employee. This is already underway for over 150 people, and
- A retrofitting training programme that is currently being designed with the assistance of the Local Education & Training Boards.

Bord na Móna Pensions

Some of our people have voiced concerns about the health of our pension schemes in light of recent developments. I have confirmed to our employees that their scheme is funded in line with all appropriate standards and that the most recent actuarial assessment . I want to reiterate this to the Committee and note that this was made has been possible by additional contributions of over €40 million by the Company in recent years.

Conclusion

Finally, Bord na Móna welcomes the Just Transition announcements in Budget 2020 and looks forward to working with the Just Transition Commissioner Kieran Mulvey.

We will continue to work with all involved in the Midlands Regional Transition Forum, the Department and all our stakeholders. I want to also acknowledge the assistance we have received from the Minister and his officials in support of our plans.

To conclude, decarbonisation represents a profound change for our country, for Bord na Móna and for our employees. A decade ago, peat accounted for 90% of

our revenues. We are financially resilient and able to grow and transition our business. By 2025 over 80% of our revenue will be from green, low-carbon, sustainable businesses, all in support of key climate and national policy objectives.

I believe our plans for sustainable employment, employee choice and retraining are all key elements that demonstrate a Just Transition is a reality for Bord na Móna people.

Ends