An Roinn Comhshaoil, Aeráide agus Cumarsáide Department of the Environment, Climate and Communications



13 February 2023

Ms Sarah Cremin Committee Secretariat Committee of Public Accounts Leinster House Dublin 2 D02 A272

By email: pac@oireachtas.ie Your Ref: S1170 PAC33

Department of the Environment, Climate and Communications (Vote 29) Ref: S1170 PAC33

Dear Ms Cremin

I refer to your letter of 27 January 2023 regarding information requested following the PAC meeting on 19 January 2023 which considered our correspondence dated 16 December 2022 in relation to a report on Climate Action Plan targets. The information requested is set out below.

Engagement with the Departments of Finance and Agriculture, Food and the Marine regarding the delivery of climate action plan targets in the context of a suggestion from within the European Commission that a larger Common Agricultural Policy should be delivered in 2024.

Discussions between the Department of the Environment, Climate and Communications and the Departments of Finance and Agriculture, Food and the Marine on any potential mid-term changes to the Common Agricultural Policy would be premature at this stage. Officials from my Department sit on the Common Agricultural Policy Strategic Plan Monitoring Committee which met for the first time on 24 November 2022 and will remain active participants in the monitoring of Common Agricultural Policy schemes for the period of the Plan. The Department will ensure that any review of the CAP in 2024 will be fully assessed from a climate and environmental perspective.

Whether the Department is planning to provide additional funding towards the delivery of emissions reductions within the agriculture sector and how such finding would operate in practice.

In line with the July 2022 Government Decision on sectoral emissions ceilings, the Minister for Agriculture, Food and the Marine has responsibility for delivery of the Agricultural Sectoral Emission Ceiling and the identification and provision of the funding necessary to deliver on it.

Agriculture stakeholders are eligible for funding and supports from relevant climate action programmes operated by the Department of the Environment, Climate and Communications, such asl SEAI residential retrofit schemes.

It was also agreed to request further details regarding electricity and power generation in relation to back up capacity and energy security and particularly in relation to the agriculture sector and what assistance is available to farmers to get directly involved in such initiatives

Electricity storage is critical in providing flexibility to the Irish electricity system and helping to increase the volume of renewable electricity on the grid. Storage projects are versatile assets which, depending on their technical capabilities and duration, can act in the system services, energy and capacity markets. As such they can provide a wide range of benefits, including wholesale energy price reductions, significant carbon emissions abatement and security of supply. They also provide essential services to help manage the grid with increased levels of renewable penetration.

The indicative projection made by McKinsey of €1bn of capital expenditure investment required for backup capacity within the overall electricity sector figure to meet 2030 targets consists primarily of incremental battery storage. No Government funding has been given towards this investment cost as these investments will be made by electricity market participants through regular market auctions for new generation capacity and system services to support the growth of the electricity grid.

The primary support for farmers to become involved in renewable energy initiatives is through the Targeted Agricultural Modernisation Scheme (TAMS) scheme which provides a 40% grant on a solar PV investment, while young, qualified farmers can get up to 60% in grant aid. PV installers need to be registered with the SEAI or with the Department of Agriculture, Food, and the Marine. TAMS support is now available to support up to 11kW solar PV on dairy, beef, tillage, and sheep farms. This complements the 40% support already available to the pig and poultry sector through the Pig and Poultry Investment Scheme which is not limited to 11kW.

Should you require any clarification or additional information, please do not hesitate to contact Karen McCaffrey in my Department, by email at karen.mccaffrey@DECC.gov.ie or by phone at 087 738 1463.

Yours sincerely

Mark Griffin

Secretary General