

## **Joint Oireachtas Committee on Agriculture, Food and the Marine**

### **Session to discuss the impact of peat shortages on the horticultural industry**

#### **Opening Statement by Growing Media Ireland (GMI)**

**Tuesday, 6<sup>th</sup> July 2021**

#### **Introduction**

Chairman, Members of the Committee,

On behalf of Growing Media Ireland and the wider horticultural sector I want to thank the Chair and Members of the Committee on Agriculture, Food & the Marine for their invitation to appear before the Oireachtas Committee.

As Chair of GMI I want to express on behalf of my members and my colleagues here from across the horticultural sector our delight that the Committee members have given us the opportunity to draw your urgent attention to a real and imminent crisis that will hit our horticultural sector over the summer because of restrictions on horticultural peat harvesting.

I am joined here today by a cross section of expert voices from the Irish Horticultural Sector including:

- Kieran Dunne of Kildare Growers Group, a leading Irish group of nursey stock growers.
- Mel O'Rourke of Commercial Mushroom Producers, Ireland's largest mushroom producers' organisation.
- Anna Kavanagh, an independent Horticultural Consultant with over 30 years of experience in the sector.

The willingness of so many prominent experts from within the Irish Horticultural Sector to attend before the Committee to answer questions is a clear signal of how serious we take this issue. We share a common fear that the shortage of

horticultural peat will result in increased costs and jobs and businesses may be at risk as a result, especially in the midlands and west.

The speed with which the Committee Chair and Members have responded to my letter to the Committee and have found time in what, I know, is a busy work programme to investigate the matter shows how much the Committee and its members value the horticultural sector. This stands in stark contrast to the length of time it is taking the three Departments involved to address the issue.

We are very disappointed that Department officials have refused the Committee's invitation. We are more concerned now than ever that the urgency of the crisis facing the horticultural sector is not appreciated by the Departments tasked with solving the issue.

We value the engagement of the Ministers involved and the establishment of a Working Group. We have invested our time in the Government's Working Group on the peat industry. We have had 6 meetings and spent 4 months discussing the crisis facing the industry and prepared an interim report for Minister Noonan. We still await a detailed response to the interim report and to date there has been no progress towards the urgent action required. The Departments seem to be moving away from seeking a solution through consultation.

We have grave concerns that the decision to task senior officials from the three Departments to agree a compromise behind closed doors will not result in a positive outcome for Irish Horticulture.

We fear that a process that is avoiding Oireachtas Committee oversight and removed from direct engagement with the horticultural sector will prioritise solutions that avoid disputes between Departments rather than the best interests of Irish Horticulture and the jobs that depend on it.

We are seeking Committee support for action over the next few months to avert this looming economic, employment and environmental crisis for the horticultural sector:

1. immediately lift the restrictions on peat harvesting for 2021 to avoid a shortage of supply this year,
2. introduce a fair and workable licensing system to allow for the phasing out of horticultural peat harvesting over a transition period to a target date 2030 allowing alternatives to be developed but ensuring that there is a secure supply of growing media during that period, so the sustainable horticultural sector is not jeopardised,
3. ensure that peatlands are harvested in such a way that they are in the best possible condition for a planned and structured restoration, and
4. establish “Just Transition” supports to protect jobs and businesses into the future.

### **Importance of the Horticultural Sector**

There are over 17,000 jobs in an Irish horticultural sector which includes an estimated 6,600 people directly employed full-time with another 11,000 being indirectly employed in value added and downstream businesses. The Horticultural Sector is a significant aspect of the Irish Agri-Food Sector. It was estimated, by the Department of Agriculture, to have a farm gate value for the economy of €477 million in 2019.

The Irish Government should be seeking to support the businesses within the Irish Horticultural Sector to create more jobs and increase sustainable food production rather than sabotaging the Sector and putting it at a competitive disadvantage compared to international competitors.

Growing media in all its forms has been the breakthrough technology which lifted horticultural production to new levels of performance in recent decades. This is based mainly on increased output and quality.

A secure supply of suitable growing media is a vital ingredient for a successful horticultural business. Without a secure supply of indigenous growing media,

horticultural businesses will be dependent on importing growing media, if available, at increased and fluctuating costs, risking jobs.

The horticultural sector is currently undergoing a transformation and quality growing media is an absolute necessity. Research from Wageningen University & Research predicts that the global demand for growing media will increase by more than 400% between now and 2050.

This is a terrible time for Irish Horticulture to face a growing media supply crisis whatever the reason; be it Government inaction, ideological entrenchment, inter Departmental rivalry or just a lack of understanding of the how the horticultural sector works by those responsible for it.

### **Reasons for suspension of horticultural peat harvesting**

The Irish horticultural peat harvesting sector has experienced extreme challenges over the past 18 months. Following a ruling of the High Court in September 2019, harvesting of peat from bogs greater than 30 hectares now requires all companies to go through a complex licensing and planning regime.

Horticultural peat harvesting on Irish bogs has all but ceased and Irish peat supplies will be exhausted by the end of September 2021.

The decision by Bord na Mona to cease peat harvesting and the use of peat for energy and fuel has had a significant impact on the environmental impact on our peatlands. By contrast the amount of peatlands required by horticulture is only 0.12%. While just 0.15% of Ireland's total annual Carbon Dioxide emissions is generated by use of peat in horticulture.

The Horticultural Sector will have to import peat into Ireland at a higher cost both financially and environmentally.

### **Lack of viable alternatives to peat**

GMI has acknowledged on many occasions that there are substitutes to peat but currently there are not sufficient quantities of peat alternatives which are

available, affordable, environmentally sustainable and that meet the quality requirements of growing media.

Horticultural peat is a universal ingredient for almost all plant species in almost all production systems in Ireland and Northern Europe. Its consistency, in terms of its physical and biological attributes, combined with its low nutrient status and predictable interaction with fertilizers is what sets it apart for horticultural production.

This has provided the basis for modern soil-less plant and food production systems. Moving from soil to soil-less culture systems has had very significant advantages for horticultural production in recent decades in Ireland.

The simple fact is that alternatives to peat are not presently available in the quantities and quality that would be required to replace peat.

Further research is urgently required to both develop and trial both new and existing alternatives, the research must include the environmental performance of the proposed alternatives.

To be economically and environmentally competitive with peat, any substitute material should be available, affordable, and environmentally sustainable while also meeting yield, quality, environmental and health & safety requirements.

The present alternatives available can not currently replace peat and the decision to make peat harvesting all but impossible in Ireland is short-sighted and undermines both the Irish Horticultural Sector and the Ireland's commitment to global climate action.

Of the alternatives available:

- **Composted Green Waste:**
  - Good quality green waste can be used as a diluent to assist in peat-reduction but it will never be a complete alternative.

- Due to the high salt content, weight and inherent risks in this product, it is most safely used at rates of 10% to 15% of the total growing media recipe.
- It offers many quality and safety challenges due to the variability of source materials which requires very intensive quality control.
- It also contains a high microbial population, with potentially dangerous pathogens which could pose a high risk to human health.
- Material coming from municipal waste collection centres in Ireland and the UK are frequently contaminated with chemical, herbicide and pesticide residues, glass, needles, faeces, plastic etc.
- The collection of the raw material, the processing and the delivery of the finished product all contribute to the carbon footprint.
- The product is very heavy, typically, one tonne of green waste produces one cubic metre of composted green waste.
- **Coir:**
  - This material is produced from the discarded husk of the coconut and is imported from coconut producing countries in Asia, notably Sri Lanka and India.
  - It has negative environmental consequences in its country of origin with a large water requirement, (large volumes of fresh water is sprayed on the stockpiles twice each day for up to three weeks), in areas of India and Sri Lanka where fresh water is already in short supply, issues from the disposal of this wastewater, significant transport costs, and nutrient depletion where coconuts are grown.
  - The shipping from Asia to Ireland creates significant energy and carbon costs.
  - The supply of coir has been disrupted due to extreme weather events leading to shortages (the 2021 growing season will be another where there is an insufficient supply of coir).
  - There can also be price volatility related to its use as biomass heat source in certain parts of the world.
- **Woodfibre:**
  - It is a very important diluent for growing media due to its chemical, physical and biological characteristics.

- However, for professional plant production woodfibre generally only forms up to 35% of the content of a growing media mix to avoid the challenges of water holding capacity, nitrogen fixation, and poor nutrient buffering.
- The expectation is that this constituent will become far more important in future, therefore a secure supply of suitable woodchip will be required for the horticultural industry. Currently competition for wood from power plants for thermal energy creation is becoming an increasing challenge for the horticulture industry, as is the ongoing issue over the issuing of felling licences in Ireland which is driving up the prices for woodchip.
- **Bark:**
  - It has a naturally high potassium (K) content, but other nutrients must also be added to make a satisfactory growing medium.
  - It tends to be very well aerated but have a reduced water holding capacity compared to peat. Therefore, it needs to be irrigated more than peat leading to higher water use.
  - It may also lead to increased nitrogen immobilisation which would be detrimental to crop growth if not offset by increased nitrogen fertilisation.
- **Perlite**
  - It can be used as an additive rather than a replacement for peat.
  - Produced in Greece, China, the United States, Japan and Turkey.
  - It is extracted from open cast mines.
  - The material is then crushed, dried (heated to temperatures of over 760°C), milled, graded and shipped to the country of destination.
  - The carbon footprint of this material is therefore considerable.
  - It is used in very limited quantities in substrate production due to its high cost.
- **Vermiculite**
  - It can be used as an additive rather than a replacement for peat.
  - Produced in Australia, Brazil, China, Kenya, South Africa and Zimbabwe.
  - It is extracted from open cast mines.

- The material is then crushed and screened and separated prior to drying (heated to temperatures of over 540°C) and shipped to the country of destination.
- Like perlite, it is another expensive product with a high carbon footprint.

The current alternatives available cost substantially more than horticultural peat, have added production risks, such as lower yields and less consistent crops and the environmental impact of their widespread use is not fully understood.

Over the past 25 years a huge amount of money has been spent by the horticultural industry, including GMI members, in researching and testing a wide range of alternative material, however no one material has been found to satisfactorily replace peat for all crops.

Any decision by Government which creates a cliff edge in the supply of native horticultural peat while this research is incomplete will have a significant negative impact on the Irish Horticultural environmentally, economically, and as regards employment.

### **Negative impact of a shortage of horticultural peat on the horticultural sector**

This crisis will have a clear **environmental impact** and undermine Ireland's stated commitment to global climate action. It is widely accepted that there are currently no alternatives to peat which can replace it as a growing media on the scale required. Further research needs to be carried out on the environmental impact of the widespread use of alternatives. The importation of these alternatives, which have yet to be fully researched, or peat from other countries raises questions about the environmental impact this will have, including the carbon footprint of importing growing media which it is possible to harvest at home. The current halt on harvesting also means it is impossible to rehabilitate some peatland currently left in an unfinished state.

The **economic impact** of the sudden unavailability of Irish peat and the increased cost of alternative growing media imported from abroad will have immediate cost implications for our horticultural sector. These cost implications are already having a negative impact. Horticultural businesses now face significant, and



needless, cost increases at a time when they already must address the consequences of Brexit and Covid. Such uncertainty of supply and increased costs is potentially devastating to the economic viability of Irish Horticulture. Given the concentration of this industry in the midlands and west the economic damage will be very focused in these areas and felt by rural communities and families immediately.

The most devastating consequence of this impending crisis will be the **employment impact**. An estimated 6,600 people are directly employed full-time in the sector with another 11,000 being indirectly employed in value added and downstream businesses. These jobs are highly concentrated in specific areas in the midlands and west. The future of these jobs will needlessly be put in doubt.

## **Solutions**

Horticultural peat producers and the wider industry fully understand and support the aspiration to end horticultural peat harvesting in Ireland and are willing to be part of a planned solution based on the availability of responsibly resourced sustainable alternatives, but it is naïve to think this can happen overnight.

There must be a period of overlap whereby peat may continue to be harvested, albeit on a reducing scale, whilst suitable alternatives are researched and sourced.

A further advantage of this policy would be to allow time for an orderly wind down of harvesting on already degraded bogs whilst at the same time preparing the bogs for rehabilitation at no expense to the State. The scientific evidence clearly shows that this is the optimum course of action for bog rehabilitation.

## **Conclusion**

GMI, and our partners in the horticultural sector in Ireland, want to be part of a positive solution. We fear that a lack of understanding of the horticultural sector

is leading Department officials to believe that there is a quick fix solution which will have environmentally positive outcomes.

In reality, the fact that the issue has fallen between three Departments has allowed no one Department to take responsibility for finding a solution. The resulting inaction and confusion have allowed the issue drift towards a situation where:

- peat harvesting will continue to be suspended,
- domestic supplies of horticultural peat will soon be exhausted and
- the horticultural sector will be left dependent on imports of peat from abroad or untested alternatives resulting in uncertain supply, increased costs and potentially greater environmental consequences.

We ask the Committee to seek the Departments involved:

1. Immediately lift the restrictions on peat harvesting for 2021 to avoid a shortage of supply this year,
2. introduce a fair and workable licensing system to allow for the phasing out of peat harvesting over a transition period to a target date of 2030 but ensuring that there is a secure supply of growing media during that period, so the sustainable horticultural sector is not jeopardised,
3. ensure that peatlands are harvested in such a way that they are in the best possible condition for a planned and structured restoration, and
4. establish “Just Transition” supports to protect jobs and businesses.

We look forward to answering any questions you may have.