17 May 2019

Dr Andrew Murrison
Northern Ireland Affairs Committee
House of Commons
London
SW1A 0AA

Changes to NI Renewable Heat Incentive payments inquiry

Dear Dr Murrison,

As the inquiry into the changes to the NI Renewable Heat Incentive payments comes to a conclusion, I have been asked to reiterate the following points and concerns on behalf of the Ulster Farmers’ Union poultry committee.

- NI poultry farmers supply approximately 14% of the UK chicken meat production.
- The provision of additional heat is essential to the life-support of day-old chicks through to maintenance of mature birds.
- Provision of this required heat is a significant element in the cost of production.
- Broiler production (i.e. the farming of chicks from day old to maturity) requires the provision of immediate and automatic back-up heat to be available in the event of any failure within the primary heating system. Each shed may contain tens of thousands of day-old chicks which would otherwise die if the primary heating system failed when they are unable to sustain their own body heat.
- The 2019 legislation has placed NI producers at an immediate competitive disadvantage to all other producers within the UK marketplace.
- When compared with the Irish renewable heat scheme, the 2019 legislation will place NI-based production at a significant comparative disadvantage.
- The Ulster Farmers’ Union has no reason to doubt the analysis of the different national and international tariffs that can be found at the following link: https://rhani.org/annual-payments-across-various-jurisdictions/
- The Ulster Farmers’ Union is committed to supporting its members and to the decarbonization of the poultry supply chain. However, this commitment must be balanced by the economic reality of the cost and complexity of generating heat from renewable fuel when compared with the simplicity and economy of liquid petroleum gas and other fossil fuels. To remain profitable, independent growers are already reporting to us that they are at a tipping point for their reversion to fossil fuels.
- The 2019 legislation has created a significant "cash-flow shock" for many of the independent growers.
- If the tipping point and competitive and comparative disadvantage are to mitigated, corrective action must be taken immediately.

Yours sincerely,
DAVID BROWN
UFU Deputy President