



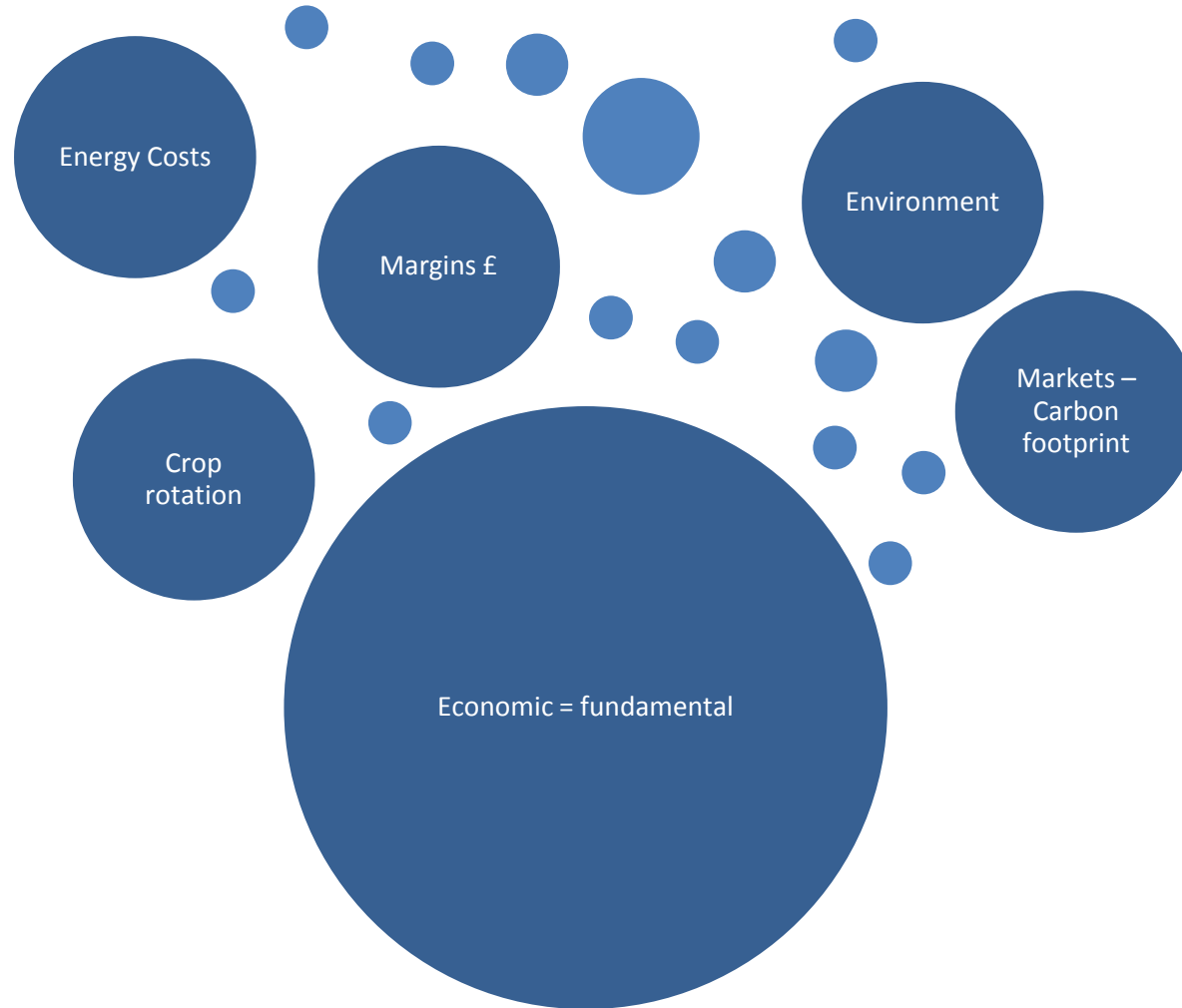
# Drivers for On Farm AD

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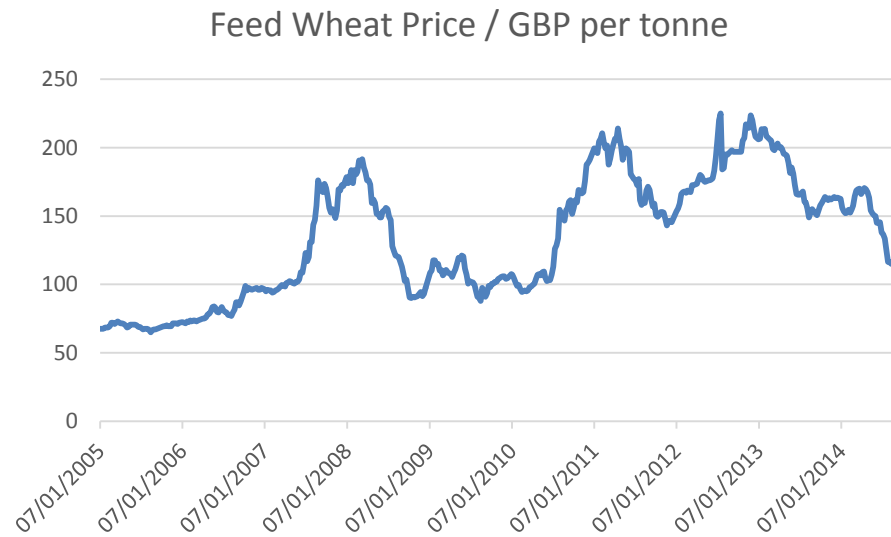
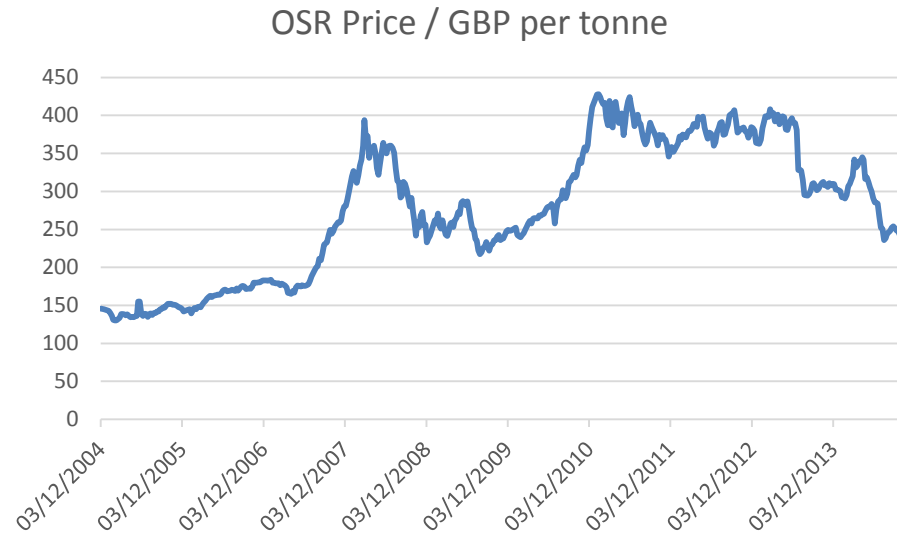
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# Key Drivers for On Farm AD - Sustainability



# Key Drivers for On Farm AD

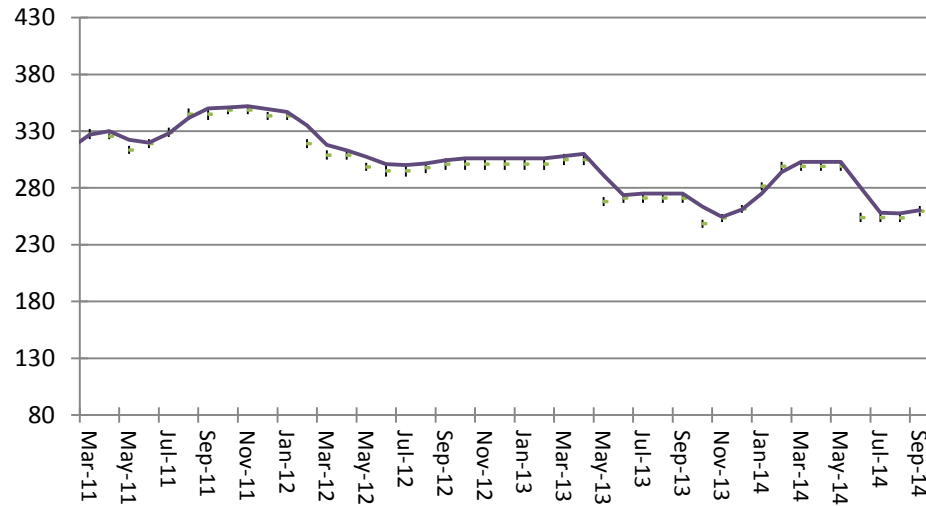
(Source: HGCA)



# Key Drivers for On Farm AD

(Source: HGCA)

## AN (bags - UK)



# Key Drivers for On Farm AD - Sector

- Intensive Poultry – energy costs (heat & electricity) & carbon footprint
- Dairy – milk price volatility, energy costs (electricity), nutrient management, future proofing, carbon footprint
- Intensive Pig Production – nutrient management, energy costs (electricity)
- Fresh produce – energy costs (heat & electricity), waste management, carbon footprint, rotational
- Arable – commodity price volatility (input & output) = margin volatility, managing grass weeds, soil organic matter

# Key Barriers for On Farm AD - Sector

- Capital cost & RoI
- FiT degression below 500kW
- RHI uncertainty – Crop Sustainability criteria

# Key Drivers for On Farm AD - Opportunities

- Greater growth in dairy & pig slurry management (only 1% of farms with slurry employing AD in 2014)
- Widen arable markets & rotations = greater integrated pest & disease control
- Re-building organic matter in arable soils & making more effective use of digestate nutrient
- Use of CHP heat for commercial purposes

# Key Drivers for On Farm AD - Summary

- Range of reasons why On Farm AD is growing
- Drivers can be complex
- All are underpinned by sustainability – primary being economic





# Drivers for On Farm AD

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