

## Current KT&I support examples across the EU27

This series of informative fiches aim to present, in summary, examples collected by the ENRD Focus Group on Knowledge Transfer and Innovation. The case studies describe practices and approaches that EU Member States and Regions have put in place in order to promote Knowledge Transfer and Innovation, mainly but not exclusively, through their Rural Development Programmes in the current period. These examples aim to contribute to the understanding of what has worked well and less well in supporting innovation through the 2007-2013 RDPs and as far as possible, draw lessons in the view of future improvement of the programmes.

# Promoting and assisting the development of wood energy sector in County Clare, Ireland

**SUMMARY:** The County Clare Wood Energy Project (CWEEP) was a national pilot project that spatially grouped farmers planting forests to strengthen their position in the market; created a local market for farm forest thinning and promoted the use of wood chip boilers as a local, cost-effective and environmentally friendly energy source.

## 1. Why the approach has been put in place

Private forestry, and particularly farmer-owned, is a relatively new activity in Ireland. There is little embedded knowledge of best forestry management practices and technologies among forest owners. In addition, there are relatively underdeveloped product ranges, e.g. wood chip from thinning, and institutions, e.g. markets, to support the sector.

The County Clare Wood Energy Project (CWEEP) was a national pilot project. CWEEP identified the need to generate a local market for farm forest thinning and also promote the use of wood chip boilers among large local

organisations as a local, sustainable, cost-effective and environmentally friendly energy source.

There are three novelties associated with this project: firstly the creation of an innovative product being wood chip pellets from thinning; secondly organisational innovation by clustering the forest producers both for selling purposes but also for infrastructural development; and thirdly institutional innovation that is market creation – i.e. working with potential buyers of wood chip pellets to create a demand for the newly organised supply.

## 2. How it was achieved in practice

The project was initiated by Clare Local Development Company (CLDC) and the Irish Agriculture and Food Development Authority (Teagasc). Among other actors in the project were included the Irish Forestry Contractors Association, Limerick Institute of Technology, Limerick Clare Energy Agency, etc.

The initial key driver for this project was to try to maximise the returns to forestry owners in County Clare on the West Coast of Ireland. Thinning of forests, which is the raw material for wood chip fuel, could be promoted to achieve this. Typically, wood chip fuel costs 50% of the price of heating oil and savings can

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be even more significant for large heat users. However, not only the product (wood chip) did not exist in the county, but there was no demand for such a product.

Towards this aim one early activity of the project was to spatially group farmers planting forests so that they would form a common selling platform by organising the supply side of the timber supply chain. Secondly, by spatially grouping or clustering forest owners, efficiencies would be generated when the forest owners were engaging forestry contractors to provide inspection paths, harvesting roadways and carrying out timber harvesting operations. Finally, instead of responding to market needs, the project in fact created a new market.

Marketing and training were two key elements in realising the project goals. Since the project began in 2005, two consultants were employed on a part-time basis to create a demand for wood chip boilers among high heat users in County Clare, and organise the wood chip supply chain using timber from farm forests in County Clare.

In terms of training, Teagasc regularly provided thinning demonstrations for private forest owners. The goal was to educate private forest owners around best practice for forestry thinning, give them the tools and expertise to assess when their forest is ready for thinning and apprise them of the legal and infrastructural requirements that need to be put in place. Teagasc also offered research expertise in terms of identification of forest clusters using GIS techniques and the economic returns from such clusters. The project has held numerous meetings, open days and published a number of documents and guidelines.

An extensive website for the project was also created. In addition to providing information

on equipment, products, etc., it includes the 'Wood Energy Shop'. This is a facility encouraging forest clusters and contractors (buyers and sellers of services in the timber supply chain) to interact with each other. This is seen as a way of fostering a long-term, mutually beneficial, self-sustaining way of interaction between these two key actors in the supply chain. In addition, a 'Guide to Selling Your Timber for Wood Energy' was published.

That this dissemination strategy has been successful is evidenced by not only the success of the project, but also since the CCWEP is being used as a template for other counties and Local Action Groups to follow.



### 3. Lessons learnt for the future

**Results:** The project facilitated the installation of at least 5 industrial sized boilers and is in the process of providing information and assistance to other organisations considering the wood chip option.

These boilers generate a demand for approximately 2,000 tons of wood chip each year. This is being supplied by any of up to 5 wood chip entrepreneurs established in the county. They, in turn, source their timber from a network of approximately 200 farm forest owners who supply timber to the project.

If the project can meet the National Bioenergy targets set by the Government, up to 171 local people could be sustainably employed in the wood energy sector by 2020. The total contribution of wood energy to the Clare economy by 2020 is estimated at €9.8 million per annum.

In terms of environmental protection, wood fuel heating emits less CO<sub>2</sub> than traditional energy technologies. The financial value of CO<sub>2</sub> savings by 2020 in Clare from using wood chip are conservatively estimated at €1.53 million per annum.

#### Lessons learnt:

- ⇒ A key challenge is to make the innovations 'self-sustaining', particularly the institutional innovations. In this case, to ensure that the clusters of farm forests would interact with contractors on their own without continued direct support from the CCWEP.
- ⇒ The project has a spatial-functional focus, which is more purposive and built on economic or social relations. It may represent an example for future cooperation projects run by clusters that could be funded under Art. 35 of the Rural Development Regulation for 2014-2020 (Regulation EU 1305/2013).
- ⇒ Institutional innovations, such as market creation in this example, are often overlooked as a type of innovation. The employment of two part-time consultants to animate the creation of two markets – one in terms of the growers and contractors, the other between the supply chain for wood chip and customers – was critical.
- ⇒ Finally, opportunities might exist for Knowledge Transfer and Information Actions under Article 14 of the new rural development regulation in relation to market creation examples from throughout the EU. This would be particularly pertinent to emerging sectors, such as sustainable energy. This would help deliver a more tailored approach in terms of this Measure.

For more information: <http://www.ccwep.ie/>

*Information included in this fiche is primarily coming from the case studies carried out within the ENRD Focus Group on Knowledge Transfer & Innovation. The fiche is compiled by the ENRD Contact Point on the basis of the information collected in the EU Member States and Regions and takes into account views expressed at the European, national and regional level. This notwithstanding, the content does not necessarily reflect the official position of the EU institutions and national authorities.*