

**Submission To**

**2025 Agri-Food Strategy Committee**

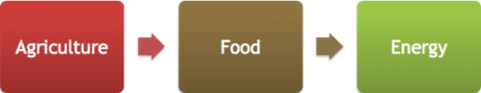
**Introduction**

Beet Ireland was established in 2011 to develop a new sugar and bioethanol industry in Ireland. Since that time Beet Ireland has undertaken extensive feasibility and business planning analysis to confirm the sustainability of the project. Beet Ireland briefed Minister Coveney on the project and liaised with the Minister as part of the EU CAP negotiations in 2013, leading to the new policy framework for the opening up of the sugar market in Europe and Ireland in September 2017. Since that time, Beet Ireland has been working on the roll out of its business plan for the development of a new sugar and bioethanol business in Ireland.

Due to the relinquishing of Ireland’s sugar quota in 2006, the sugar industry did not form part of the FoodHarvest 2020 proposals. The change of EU policy and the review of Irish Agri-Food policy in the context of the 2025 Agri-Food Strategy Committee provides the opportunity to map the strategic role that the redevelopment of the sugar industry in Ireland will play as part of the overall expansion of the Agri-Food industry over coming years.

**Project Scope and Scale**

Uniquely this project spans a range of industry sectors including: 1. Primary agricultural production of sugar beet to providing feed stock for the beef, dairy, equine and sheep sectors; 2. Supplying sugar, an essential raw material input, for the value added food and drinks sector; 3. Supplying bioethanol for the fuel and alcohol sectors.



The Beet Ireland business plan provides for the following:

* €400 million capital project investment for the processing of sugar and bioethanol
* Planned production of 250,000 tonnes of refined sugar
* Planned production of 11 million litres of bio-ethanol.
* Production of 30,000 hectares of sugar beet from ~1000 farms spread across the country

**Project Economic Impact**

The fact that all sugar supplies for the island of Ireland are being imported means that the Beet Ireland project will provide a direct import substitution for sugar and bioethanol supplies leading to a positive impact on the balance of trade of the order of €200 million. It is also expected that the presence of Irish produced sugar and bioethanol supplies will provide a stimulus to the development of other food and drink businesses in Ireland.

In terms of employment the project will employ ~250 long term at the processing facility while the overall employment impact of the project is projected to be ~3,500 taking into account farm production, services and logistics.

The scale of the capital investment for this project means that this will be one of the largest capital investment projects to come on stream over coming years in Ireland with resulting benefits for the construction sector including ~500 construction jobs.

From a national perspective, the availability of Irish supplies of sugar and bioethanol will supply a domestic market need and provide a hedge against global inflationary pressures that may arise in the future. Over time it is planned that this project will provide new export opportunities and requests to supply sugar abroad have already been received in this regard.

The Beet Ireland project will have a significant domestic economy multiplier impact for the economy as a whole, as well as for cereal producers. Sugar Beet production will provide a strategically important rotation crop for cereal production leading to improved cereal yields and a strong alignment with the GLAS requirements under the new CAP. In addition the production of beet pulp will help to supply fodder needs for farm animal production in Ireland, which is planned to continue to expand under the current plans for the beef and dairy sectors.

Finally it should be noted that the development of the sugar and bioethanol industry in Ireland will provide the agri-food sector with new production and business opportunities. It will also provide a more balanced agri-food sector enabling the cereals and animal production to grow and develop with synergies, which will expand the overall industry. In the context of an overall strategy for the agri-food sector, the development of improved synergies in terms of agricultural inputs and outputs will lead to reduced risk profile for the industry as a whole.

The Beet Ireland sugar & bioethanol project delivers key benefits for Ireland of a long term sustainable project which has significant scale and scope for the agri-food sector. This project will deliver sustainable jobs for Ireland and will directly benefit Ireland’s balance of trade in line with the objectives of the Agri-Food Strategy Committee.

**Beet Ireland**

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8th January 2015