Irish Rural Link | Policy statement

“The energy transition is a rural transition”: Irish Rural Link tells National Economic Dialogue that rural communities facing energy and demographic change must be partners, not just hosts

As Government moves to fast-track climate and energy infrastructure, IRL says the communities that host it must be partners in it, with a genuine social licence, real control of community benefit funds, and community ownership at the heart of delivery

DUBLIN. Irish Rural Link (IRL), the national network representing the interests of rural communities, is attending the National Economic Dialogue (NED) in Dublin Castle today, Monday 15th June, to make the case that the economic future of the State must be built on fairness, inclusion and solidarity. As policymakers gather under the theme “Reforming Now for a Secure Future: Putting Future Forty into Practice”, IRL argues that the communities asked to shoulder the infrastructure of the climate transition must be guaranteed a fair share of its value.

The Case for a Fair Share The case is straightforward. Almost all of the country’s renewable energy is built in rural Ireland, on rural land and beside rural homes. Farming carries the heaviest burden of change, and rural households are among the most exposed to rising energy costs, yet too often the decisions, and the benefit, settle elsewhere. IRL says the surest way to fast-track this infrastructure is to bring host communities in as partners, with a genuine social licence built on real engagement and a real stake in what is built. Central to that is reform of the Community Benefit Funds attached to renewable projects. IRL says these funds should be under genuine community control, not corporate philanthropy for developers, and used to deliver legacy community infrastructure: the lasting upgrades and assets, including community vehicles, that let local schemes such as Meals on Wheels and rural transport expand.

Moving Ownership to the Heart of Delivery IRL also wants community ownership moved from the margins to the heart of delivery. Renewable Energy Communities, where local people, farmers, businesses and community groups develop and own renewable projects, should be central to how Ireland builds out wind, solar and the grid, not an afterthought to commercial development. Real ownership, IRL argues, is the strongest social licence there is.

Addressing Demographic Shifts and Future Forty Redirecting this energy wealth into local hands is urgent, because Ireland’s demographic profile is changing fast, and in rural areas the shift is keenly felt. As the population ages, demand for healthcare, care and social supports will keep rising. It is the lasting assets and upgrades funded through real community benefit that will allow local services such as Meals on Wheels, community transport and home care to expand. These are the supports that let older people live independently and with dignity in their own places, and they cannot be left to run on uncertainty from one year to the next. IRL says these services must be adequately funded and resourced so they can be sustained, and expanded, for the years ahead. At the same time, rural Ireland is becoming more diverse, with new communities and migrants bringing skills, experience and perspectives that add to its economic and social life. As the country plans for a growing population, IRL says the focus must stay on the longstanding gaps in housing, public services and infrastructure, while supporting integration, participation and access to work, so that everyone can play a full part in a prosperous, cohesive and inclusive rural society. Reform under Future Forty, IRL says, is a real chance to build a more resilient and sustainable country, but it has to be rooted in fairness, inclusion and solidarity. It must keep people at its centre, support strong public and community services, protect those most at risk of being left behind, and ensure the communities carrying the national transition share fairly in what comes from it. The test of a secure future, IRL says, is that no community is left behind on the way to it.

Ends

Note to Editors

The scale and impact: • The Government's Climate Action Plan targets 9 GW of onshore wind, 8 GW of solar and 5 GW of offshore wind by 2030, and 80 per cent of electricity from renewables. • Almost all onshore generation is built in rural areas, and agriculture, an overwhelmingly rural sector, carries the largest single share of national emissions. The fund and the rate: • Every project supported under the Renewable Electricity Support Scheme (RESS) must pay a minimum of €2 per megawatt hour into a Community Benefit Fund for 15 years. • The rate has not changed since the scheme began and, under the scheme's rules, is not linked to inflation. • As a guide, a 50 MW onshore wind farm running at a 35 per cent capacity factor pays about €306,600 a year into its fund. Who controls the fund: • The energy company that owns the project establishes and ultimately controls the fund. • It appoints the administrator, may run the fund in-house, and selects the community committee, while public bodies are barred from acting as administrator. • For smaller projects no community committee is required at all, as one is only mandatory where the annual contribution exceeds €50,000. • Up to 10 per cent of the fund, and 20 per cent in the first year, may be spent on administration. Who is paid, and who is not: • Direct household payments apply only to wind projects: a fixed €1,000 a year for a home within 1km of a turbine, reducing to €500 at 2km. • Homes beside solar farms receive no payment. • For the wider community fund the developer defines an "area of benefit". • The rules allow this to reach a 25km radius, while the wind industry's own framework draws the community at 10km, with priority within 5km. • A household just outside the chosen line receives nothing, what IRL describes as a postcode lottery. IRL's calls: As Government reviews the scheme, IRL is calling for: • the funds to be placed under genuine community administration, accountable to the host community rather than the developer. • safeguards so the money cannot be captured as corporate philanthropy or absorbed into the agendas of external grant-making bodies. • the funds to deliver legacy community infrastructure, including the upgrades and community vehicles that enable community schemes such as Meals on Wheels and rural community transport to expand. • the €2 per megawatt hour rate to be reviewed and index-linked. • Renewable Energy Communities, which are recognised in EU and Irish energy policy, to be placed at the heart of delivery, so that communities can own and lead renewable projects and not only host them. IRL notes the scheme's own rulebook describes the fund not as compensation but as the community's share in the benefits of the project, and provides for funds to be retained to create a lasting legacy for communities. How other countries compare: • Scotland is moving to recommend £6,000 per installed megawatt a year, up from £5,000 and index-linked for a project's lifetime, with community bodies there pressing for benefit to be tied to a share of revenue. • In Germany and Denmark, payments to local areas sit alongside widespread community and cooperative ownership, so communities share in the profits and not only in a fixed levy.

For further information and interviews: • Briain Smyth, Chief Executive, is available for interview on the morning of Monday 15th June. • To arrange, contact Briain Smyth on 087 692 7505 or Louise Lennon, Policy and Communications Officer, on 086 106 9244. About Irish Rural Link: • Irish Rural Link represents the interests of locally based rural groups in disadvantaged and marginalised rural areas by highlighting problems, advocating appropriate policies, and sharing experience and good practice. • It has a membership of more than 600 rural community groups dedicated to sustainable rural development, and represents rural communities at national and international level.