

Monday 20 June 2016

Northern Irish anaerobic digestion plants secure £10.5m investment

- **Foresight-managed fund commits £10.5m to two on-farm anaerobic digestion plants in Northern Ireland with cornerstone investment from UK Green Investment Bank**
- **£8.7m has been invested in the 3 MW Ballymena AD plant, which is expected to be one of the first in the world to be fuelled exclusively by poultry litter.**
- **£1.8m has been invested in the 0.5 MW Gorthill AD plant in County Londonderry, which will process agricultural waste to generate renewable electricity.**
- **Together, the two plants are expected to generate over 20,000 MWh of renewable electricity per annum, sufficient to power 5,000 households**

The Foresight Group LLP (Foresight) managed Recycling and Waste LP (RAW) Fund, in which UK Green Investment Bank plc (GIB) is a cornerstone investor, has today committed £10.5m to two anaerobic digestion (AD) plants in Northern Ireland.

RAW has invested £8.7m in a 3 MW AD plant near Ballymena with co-investment of £4.4m from Foresight AD EIS Fund, £8.7m from Invest Northern Ireland and £1.5m from Xergi. Xergi has been awarded the engineering, procurement and construction (EPC) and operations and maintenance (O&M) contracts for the project.

The Ballymena project is being developed by Stream BioEnergy Limited, an experienced AD project developer in Ireland and Northern Ireland, and is expected to be one of the first plants in the world to be fuelled solely by poultry litter.

Economy Minister Simon Hamilton said:

“This project has been developed as a result of support under the SUPL SBRI Project and the SUPL Loan Scheme. It is an outstanding example of public sector and private investors coming together to support a new technology for sustainable agriculture and to grow our economy. In addition to helping the local poultry sector to grow, the plant will create up to 100 jobs during the construction phase with a further 11 new jobs available when the plant becomes operational in 2017.”

Agriculture, Environment and Rural Affairs Minister Michelle McIlveen said:

“This project has seen close collaboration between technology companies, government and funding bodies, including the Green Investment Bank. It is a testament to our commitment to deliver a sustainable future for our agriculture sector. Projects such as this will play an important role in helping the poultry sector to address an environmental challenge.”

RAW has also committed £1.8m to Gorthill AD in Eglington, County Londonderry, with SQN Capital Management committing a further £1.8m to the 0.5 MW plant. Gorthill will use grass silage, poultry litter and cattle slurry as the feedstock.

Williams Industrial Services will act as EPC and O&M contractor on the Gorthill project. The company has acted in the same capacity in four other Foresight/GIB projects: PAR Renewables, Bridge Energy and Edenmore in Northern Ireland, and Old Quarrington in Durham.

Together the two plants are expected to generate more than 20,000 MWh of renewable electricity per year, sufficient to power approximately 5,000 households.

Edward Northam, Head of Investment Banking, UK Green Investment Bank, said:

“We expect to see more rural communities exploring anaerobic digestion as a way of diverting organic waste from landfill while becoming more self-sufficient. These latest investments bring the number of on-farm AD plants supported by the GIB to six, five of which are located in Northern Ireland, demonstrating the growing demand in the sector.

“Plants of this scale save farming businesses money and can provide vital income through the sale of the electricity being generated.”

Nigel Aitchison, Partner, Foresight Group, said:

“With the financial close of these two AD projects, the £50 million RAW fund is now 46% deployed. At Foresight we are continuing to find attractive AD and other waste management projects both within Northern Ireland and in the UK generally which aim to make a lasting difference to the communities they serve while generating attractive returns for our investors.”

GIB has also previously invested in two utility scale AD plants in Greater London – East London Biogas Ltd and Willen Biogas – through the Foresight-managed UKWREI Fund. The plants have a combined processing capacity of 80,000 tonnes of food waste and green waste per annum.

Ends

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About the Ballymena project

Total GIB share of investment: £8.7m - through the Foresight-managed Recycling and Waste LP (RAW) fund, in which GIB is a cornerstone investor

Total capital mobilised: £23.2m

Co-investors: £4.4m from Foresight AD EIS Fund, £8.7m from Invest NI and £1.5m from Xergi

Developer: Stream Bioenergy Limited

About the Gorthill project

Total GIB share of investment: £1.8m - through the Foresight-managed Recycling and Waste LP (RAW) fund, in which GIB is a cornerstone investor

Total capital mobilised: £3.6m

Co-investor: £1.8m from SQN Capital Management

Developer: Williams Industrial Services

Notes to editors

About the UK Green Investment Bank

UK Green Investment Bank plc (GIB) was launched in November 2012. With initial funding from the UK Government, it is the first bank of its kind in the world. It is a “for profit” bank, whose mission is to accelerate the UK’s transition to a greener economy, and to create an enduring institution, operating independently of Government.

GIB is wholly owned by HM Government. The Company is not authorised or regulated by the Financial Conduct Authority or the Prudential Regulation Authority. A wholly owned subsidiary UK Green Investment Bank Financial Services Limited, is authorised and regulated by the Financial Conduct Authority.

www.greeninvestmentbank.com

About Foresight

Foresight Group has been managing investment funds on behalf of institutions and retail clients for more than 30 years. With a background in Private Equity and Venture Capital, Foresight has diversified activities and today manages institutional funds principally in European Infrastructure (Solar and PPP), Environmental and UK small cap Private Equity, including six years of specific Infrastructure experience.

Foresight has in excess of £1.8bn assets under management and boasts one of the UK's leading environmental infrastructure investment teams which has helped mobilise capital investment of more than £850 million in environmental assets including the £78m UKWREI and £50m RAW Fund mandates from the UK Government's Green Investment Bank for UK environmental infrastructure, the £200m Bioenergy Infrastructure Group (BIG), the £25m Foresight AD EIS Fund and the £60m Foresight Environmental Fund (FEF).

www.foresightgroup.eu