Research HUB

Compost and Biofertiliser Certification Schemes
Renewable Energy Assurance Limited

I.   Introduction

Renewable Energy Assurance Ltd (REAL) carries out a range of certification and consumer protection activities, which promote circular economy principles and sustainable energy. REAL's certification schemes support / encourage the use of waste-derived products and ensure that a range of organics recycling sector participants comply with the relevant quality standards and end of waste criteria.

REAL is the owner and administrator of the Compost Certification Scheme (CCS) and Biofertiliser Certification Scheme (BCS). The CCS and BCS provide assurance to consumers, farmers, food producers and retailers that compost produced from composting processes and biofertiliser produced from anaerobic digestion processes are safe for human, animal and plant health. As of October 2018, there were 175 certified processes under the CCS and 80 certified plants under the BCS.

The Research Hub is a tool to source funding from the compost and AD industries in order to develop the technical and regulatory aspects of certified compost and digestate production, testing and usage, and maintain market acceptability.

II.   The role of the Research Hub

It is REAL's responsibility to ensure that the CCS and BCS are robust and fit for purpose. Among other actions, this is achieved through continuous stakeholder engagement and revision of the scheme documents. Where scientific evidence is needed to improve the schemes, REAL has been able to rely on existing evidence from research projects funded by other organisations like WRAP.

WRAP used to play a vital role within the organics recycling industry by working with Universities, providing financial and technical support, promoting the quality standards and maintaining market confidence. Unfortunately funding from WRAP is no longer available and its engagement with the industry is greatly limited.

Currently there is no other body that provides new, accessible research and evidence for development for the composting and AD industries. The dynamic within the industry might have changed but the

need for new scientific evidence to support innovation and improve specifications in the scheme documents still exists. The quality standards (BSI PAS) and laboratory test methods must be reviewed and updated on a regular basis to reflect changing legislation and relevant scientific developments.

Research brings a huge influx of knowledge to the industry, which is essential for continuous development. Without research & development (R&D) work the industry may stall or even be perceived as going backwards, and struggle to maintain its reputation. To this end, REAL considers it is necessary to establish appropriate cooperation frameworks.

In cooperation with the members of the CCS and BCS Technical Advisory Committee (TAC) and in discussion with the industry, REAL decided to pursue an initiative to set up a mechanism for raising funds and sponsoring the development work in the form of the Research Hub.

The main benefit of the Research Hub will be the increased amount of evidence available for the industry to develop and ensure long-term competitiveness and growth.

III.   Research fees

The Research Hub will be funded by scheme participant compost and biofertiliser producers through research fees based on annual feedstock inputs. The research fees were established following a cost benefit analysis that considered the costs of independent certification under CCS and BCS and the charges associated with controls required by environmental regulators for the use of waste-compost and waste-digestate.

The basis of the research fee is the price of certification under the CCS and BCS. Certification bodies have a price structure based on feedstock input tonnage, with increasing fees from smaller to large annual inputs tonnage. The research fees are a percentage of the certification fees for each input category. The groups based on annual inputs tonnage and corresponding research fees are shown in the table below.

Groups	CCS Input (tpa)	BCS Input (tpa)	Annual research fee
I	0-3,000	0-6,000	£100
II	3,001-6,000	6,001-15,000	£300
III	6,001-12,000	15,001-25,000	£600
IV	12,001-20,000	25,001-50,000	£800
V	20,001-50,000	50,001-75,000	£1,200
VI	>50,000	>75,000	£1,500

The initiative was widely supported by operators certified under the schemes, and other stakeholder groups. The research fees were considered reasonable by members of the CCS and BCS TAC when presented and approved at the meeting in June 2018. All scheme participants are required to pay the research fees as part of their annual fee for being a participant in the certification schemes.

| Certified Producers | → | Certification Bodies | → | REAL (admin fee) | → | Research HUB | → | Research Projects |
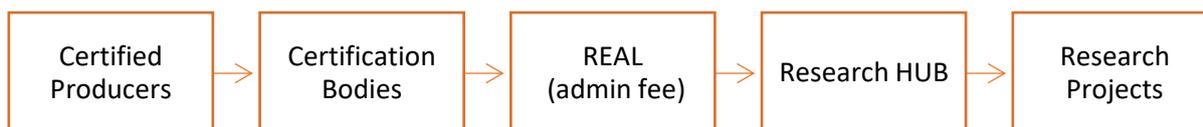
Invoices will be sent by the certification bodies to operators at renewal or initial application, together with the invoice for certification services. REAL will then recover the research fee from the certification bodies and fund the projects as presented on the graph above. REAL expects to raise around £200k for CCS and BCS on an annual basis. The funds will be ringfenced, managed independently and in a transparent manner.

IV. Scope

The funds will support a wide range of technical projects, including research studies, evidence gathering and gap analysis. The Research Hub may also fund or contribute towards rewriting protocols for testing compost and digestate and maintaining the industry standards.

V. Governance of the Hub

A. Research Hub Governance Committee

The Research Hub will be managed by REAL and its operation will be overseen by a Governance Committee (the Committee). The Committee would manage the funds, sign off which projects will be funded and oversee the works of the Hub. The first meeting of the group took place on 19th September 2018, and the Hub governance paper was agreed at the second meeting on 12th December 2018. Please refer to Attachment I for Terms of Reference for this group.

Members of the Research Hub Governance Committee
Chair – Michael Chesshire
Justyna Staff
Toyin Owadayo
Virginia Graham
Stephen Lister

B. Research Panel

The Research Panel will create a list of potential projects and propose to the Committee which projects should be funded. The Panel will discuss and agree the process for appointing organisations to deliver the objectives of projects funded by the Research Hub, appoint members of the Project Panel, and determine the ways in which the results from the projects may be used and help to disseminate the outcomes. The Panel will consist of people representing the composting and AD industries, representatives from academia, the environmental regulators and operators. The Panel will hold a chaired meeting at least three times a year. Please refer to Attachment II for more details.

Members of the Research Panel	
Chair – Stephen Nortcliff	Chair of CCS/BCS Technical Advisory Committee
Justyna Staff	REAL
Jo Chapman	BCS Producers Representative
Gregor Kennan	CCS Producers Representative
Fiona Donaldson	Scottish Environment Protection Agency
Alison McKinnie	Zero Waste Scotland
Matthew Davies	Environment Agency
TBC	WRAP/Defra
Emily Nichols	REA Organics Recycling Group

C.   Project Panel and Project Management

The project management may be provided by REAL or other organisations. The cost of project management will be reviewed on a case by case basis, but it is estimated that it will be 10% of the research hub income. It has been agreed that in 2019 the project management will be delivered by the REAL team.

The Project Panel will be appointed by the Research Panel and consist of maximum three people. The Project Panel will be responsible for drafting the scope of the project, appointing the contractor, and signing off the draft report.

D.   Contractor

The contractor will be appointed by the Project Panel through the tender process or as agreed with the Research Panel.

E.   REAL administration fee

REAL intends to charge an administrative fee to cover the management of the Hub. It has been agreed that this will be equal to 10%. In the first year (2019) it is estimated that the administration fee will be around £20k. The administration fee will cover the management of the Hub, as well as the IT, marketing and communications costs.

VI.   The method for identifying projects

At the beginning of the year, REAL will issue a newsletter which will include a call from scheme participants for proposed research projects. The inaugural meeting of the Research Panel, on 27 February 2019, will consider the projects proposed by scheme participants and other stakeholders.

The panel will draw up a list of realistic projects, and these will be presented to all scheme participants in a Survey Monkey survey, inviting them to rank the projects and to propose other projects. The survey will last for four weeks, so that the results will be available in early April. The Governance Committee will confirm the amount of money available for research projects and over what period. REAL will analyse the results of the survey in preparation for a meeting of the Research Panel in June, at which it will identify which research projects will proceed to tender. The Research Panel will appoint Project Panels for the proposed projects, and they will prepare the tender documentation. The tender process will take place during July and August with the contractor for the first projects appointed in September.

The GANTT chart shows the meeting dates in 2019, together with the proposed timetable for research projects is included in Attachment III. Please note that the proposed timetable is indicative and will be reviewed on a regular basis.

VII.   Projects reports – publications and fees

Contractor	→	Project Panel	→	Research Panel	→	Peer Review	→	Publication

The reports will be available to all participants of CCS and BCS free of charge. Organisations which have not contributed towards to the research study will be able to obtain the reports from REAL for a fee, as described below.

A.

Certified operators	→	no fee	→	Projects Report

B.

Organisation or Individual	→	Report fee	→	Project Report

C.

HUB Associates	→	Annual fee	→	Projects Report
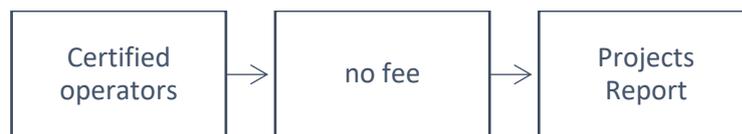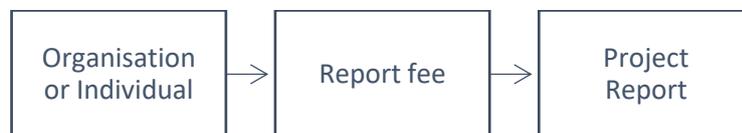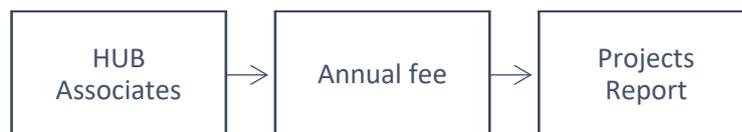
VIII.   Queries

REAL plan to set-up a separate website for the Research Hub where participants of the scheme could follow the development of the Hub, see available funds and research projects. The set-up cost will be paid for out of Research Hub funds.

If you have any questions about the Research Hub, please do not hesitate to contact Justyna Staff, Head of Certification Schemes at REAL, justyna@realschemes.org.uk

Attachment I

Terms of reference for the Governance Committee

1. The Governance Committee (Committee) is the body authorised by Renewable Energy Assurance Limited and will be responsible for the governance of the Research Hub (Hub).

2. The Committee will comprise of at least five people. The secretariat will be provided by REAL and the meetings will be chaired by a person appointed by REAL.

3. The Committee will provide the governance for the Hub. Its remit will include:
   a. Reviewing progress of the Hub development;
   b. Managing the research funds;
   c. Appointing members of the Research Panel.

4. The Committee will meet at least three times a year. Papers will be circulated at least one week in advance.

5. The Committee representatives have an obligation to ensure confidentiality of information arising from the Committee meetings.

Attachment II

Terms of reference for the Research Panel

1. The Research Panel (Panel) is the body authorised by Research Hub Governance Committee and will be responsible for the management of the Research Projects.

2. The Panel will be chaired by an individual independent from the organics recycling industry and appointed by REAL. The Panel will comprise representatives from relevant stakeholder groups, including:
   a. Environmental Regulators
   b. Governments representatives
   c. Participants of the Schemes
   d. Trade bodies
   e. Academia

3. The Panel will provide the management for the Research Projects. Its remit will include:
   a. Liaising with stakeholders and partners to understand their priorities.
   b. Identifying and review a list of potential issues based on their understanding of the current situation in the industry. The list will be sent to certified operators for voting and decide on priorities. The list will include a fair proportion of projects relevant to composting only, AD only and both sectors.
   c. Appointing members of the Project Panel for specific projects;
   d. Reviewing & signing off the reports;
   e. Appointing representatives to provide feedback to stakeholders, the CCS/BCS Technical Advisory Committee at least twice a year.

4. The Panel will meet at least three times a year.

5. The Panel representatives have an obligation to ensure confidentiality of information arising from the Panel meetings.

Attachment III

Programme 2019

ID	Task Name	Duration
1	**Scheme Meetings**	
2	PAS110 Workshop	0 days
3	CCS Spring Meeting	0 days
4	BCS Spring Meeting	0 days
5	TAC Spring Meeting	0 days
6	CCS Autumn Meeting	0 days
7	BCS Autumn Meeting	0 days
8	TAC Autumn Meeting	0 days
9	**Development of Website**	**65 days**
10	**Governance Committee Meetings**	
11	Meeting No.1	0 days
12	Meeting No.2	0 days
13	Meeting No.3	0 days
14	**Reseach Panel Meetings**	
15	Meeting No.1	0 days
16	Meeting No.2	0 days
17	Meeting No.3	0 days
18	**Identification of Research Projects**	
19	Survey Monkey	20 days
20	Agreement on 1st Set of Projects	0 days
21	Agreement on 2nd Set of Projects	0 days
22	**Project A**	**220 days**
23	Appointment of Project Panel	0 days
24	Preparation of Tender	20 days
25	Tender Period	30 days
26	Tender Evaluation Meeting	0 days
27	Contract Period	130 days
28	Interim Report	0 days
29	Final Report	0 days
30	**Project B**	**305 days**
31	Appointment of Project Panel	0 days
32	Preparation of Tender	20 days
33	Tender Period	30 days
34	Tender Evaluation Meeting	0 days
35	Contract Period	200 days
36	Interim Report	0 days
37	Final Report	0 days
38	**Project C**	**375 days**
39	Appointment of Project Panel	0 days
40	Preparation of Tender	20 days
41	Tender Period	30 days
42	Tender Evaluation Meeting	0 days
43	Contract Period	250 days
44	Interim Report	0 days
45	Final Report	0 days

REAL Research Hub Programme 2019 (indicative dates)   17th January 2019

Programme to be reviewed in February, August & December   Michael Chesshire