

Questions and Answers

You will have seen the letter from Jeremy Jacobs setting out the reasons AfOR recommends moving to the Renewable Energy Association, along with information about the forthcoming EGM and how to make your views known.

We have produced this Q&A document, to answer questions we anticipate members may have about the changes. If you have further questions and want to raise these in advance of the EGM, please do not hesitate to contact Jeremy at Jeremy@organics-recycling.org.uk or Mike Orr at mike.orr@thetegggroup.plc.uk as we are keen to listen to you and hear your views.

Why are AfOR and the REA getting together?

At a time of significant change within the organics sector, it is crucial that we are able to present a strong and unified voice to external stakeholders and provide value for money to our members at a time of extreme fiscal constraint.

Merging our two associations will provide:

- Greater strength through unity
- A single voice when lobbying Government and the regulator
- The provision of a wider breadth of services for members

Where will AfOR staff be located in REA? If I have a query who do I contact?

Your day-to-day contact with the staff of AfOR will remain very much as it is at present with the same members of staff dealing with your technical enquiries.

The certification work of AfOR – i.e. PAS 100 and compostable packaging will move to REA's wholly-owned subsidiary REAL. REAL already runs the Biofertiliser Certification Scheme and the Green Gas Certification Scheme for biomethane injection, so clearly there are synergies. Indeed AfOR and REAL have been working together for many years in respect to the two certification schemes and it makes sense that these are all covered under the umbrella of REAL. Most importantly you will continue to deal with the same members of staff as you did previously and be given the same high level of service.

AfOR's other activities will be carried out as one of the REA's resource groups. We have produced a draft sheet showing how Organics Recycling activities will be catered for, and how this work fits in with other aspects of the REA's work.

Who will be the figurehead for Composting?

The role of the Chair of the Association will be fulfilled by the chair of the Organics Recycling Group. Jeremy Jacobs will have a senior executive role within the REA and attend meetings of the REA's board of directors.

Each of the REA's resource groups has a seat on the REA board. This is often fulfilled by the Chair of the resource group, but it can be another individual nominated by the corporate members. All voting within REA is carried out on a democratic, one company, one vote basis regardless of company size. As the REA is an industry body, it is only *corporate* members that

are entitled to vote. Associates, students, individuals etc are *not* eligible. Members elect the Chair of their group, a Vice Chair, and decide who the board representative should be. Some of the REA's resource groups also choose to have a Steering Committee.

In the first instance, the current AfOR board of directors will become the steering committee of the Organics Recycling Group, headed up by AfOR's current Chair in waiting, Alexander Maddan of Agrivert. It is anticipated that he will serve for three years. Thereafter the normal processes of election used by REA members for groups will apply.

My company is not involved in any renewable energy projects. How will this impact on us?

If your interests only lie in composting then we fully understand that you may not require any additional services which could result if this merger was to take place. We fully respect this and in essence nothing will change for you other than any invoices you receive will come direct from REA's office in London and not AfOR's as this will no longer be in operation.

Any technical enquiries you may have will continue to be dealt with by the same members of staff as before.

Will we have to pay more?

The membership fee for companies only active in composting will be determined on the basis of their compost-related turnover. The membership fee for companies also active in renewable energy is determined according to either number of employees or total turnover. We have mapped our membership fee structure across to that of the REA and are confident that the two deliver broadly similar outcomes. If your company is involved in AD, as well as composting, as many of the larger composters are, you are likely to find your fees will be lower.

The principle that we are seeking to achieve is no material increase in fee levels.

Compost-only companies in the "Producer II" category would have seen an increase, but the REA membership will be discounted by 20% to cater for this. If any compost-only company does feel that under the REA membership fee structure they would be likely to pay more, they are invited to contact Jeremy Jacobs.

When will we get next year's invoice for membership?

You will receive an invoice from the REA in January 2013.

The REA's membership year runs on a calendar basis, whereas we at AfOR invoice members on the anniversary of the date they joined. Should AfOR members approve the move to REA, invoices will be pro-rated for the remaining months of 2013 that you have not already paid for. For example, if your last invoice paid for your yearly AfOR membership from, say, 1st March 2012, your next invoice will be 10/12ths of the calendar year 2013 (i.e. covering only March to December inclusive).

This will ensure that all payments are made at the same time and reduce the administration burden in the future.

We are already members of REA. What will it mean for us?

Around twenty members of AfOR are already members of the REA. These companies will directly benefit, as they will have only one membership fee to pay in future so a considerable saving for these companies.

We are members of ADBA as well as AfOR. Won't this mean I am paying for AD twice in future?

The REA provides full services for companies involved in Anaerobic Digestion. This was one of the strategic reasons for recommending merging our activities. As AfOR has not historically catered for AD to the extent that some members want, some have sought to cover this by joining ADBA. There are 17 members of AfOR which are also members of ADBA. Seven of these are already members of REA and will benefit as described above.

Will AfOR continue to run training courses and study tours?

The provision of training to our members is an integral and essential element of the service which we offer and as a working group within REA, the Organics Recycling Group would continue to offer training as before and arrange members' forums, study tours and events in order that we maintain this valuable service to members.

Where will AfOR staff be based?

Staff will for the most time be home based with an element of their time working out of REA's offices in London. Communication tools are available to ensure that this method of staff working does not impede in providing an efficient and responsive service to members which we recognise as being of the utmost importance.

This all seems quite straightforward, what should I do now?

If you are happy with the proposal, please either come along to the EGM on the 4th September and vote, or fill out the proxy/voting form enclosed and post/fax back to AfOR.

If you have further questions, please call AfOR's Chairman, Mike Orr, on 07976 132975 or Alexander Maddan on 07702 700910

If you wish to email, please do so to Jeremy@organics-recycling.org.uk

Thank you.