

New capital investment in clean fuels will help drive Canada's economic recovery and growth

Clean Fuel Standard is key to attracting over \$12 billion in advanced biofuels projects

VANCOUVER, BRITISH COLUMBIA, CANADA, April 1, 2020 /EINPresswire.com/ -- The challenges facing the global economy are unprecedented. Two forces – the COVID-19 pandemic and the recent breakdown in the global oil cartel – have brought acute pressures to Canada's economy. Economic recovery measures that focus on accelerating clean energy transitions will make a lasting impact on Canada's economic and energy future.

To inform clean fuel sector development, Advanced Biofuels Canada (ABFC) conducts an annual member survey to capture project-based data on capital investments in advanced biofuels and synthetic fuel production capacity and supporting infrastructure for the decade ahead (2020-2030). Results from 18-member companies surveyed in late 2019 indicate Canada can increase production capacity by at least 5 billion litres per year by 2030 (see [Backgrounder](#)).

Total Projects: 51

Aggregate Capital Investment: \$12.6 billion

Project Size:

- under \$50 million (16 projects)
- \$50 to 100 million (8 projects)
- over \$100 million (27 projects)

New Production Capacity: 5 billion litres/year

Feedstock Utilization□

- Oleochemicals (fats/oils): 4 million tonnes/year
- Forest/crop residues & wastes: 4.5 million tonnes/year

Jobs (direct only): >3,000 operations / head office; >15,000 construction

Companies were re-surveyed in March 2020 to assess the impact of the COVID-19 crisis. While some operating plants have scaled back or closed (1 plant), project development plans remain active. Investment plans are being reevaluated to assess regulatory signals and financial feasibility. Survey data (partial) captured 11 projects, representing over \$1.25 billion in capex, that remain in active development in AB (3), BC (3), ON (2), QC (2), and NS (1).

In November 2019, ABFC released the [Roadmap to 2030](#) sector report on clean liquid fuel investment in Canada. The report highlights how western and central Canada (i.e. BC to Quebec) are reliant on imports of over 12 billion litres per year of finished fossil fuels, such as gasoline, diesel, and jet fuel, to fuel our economy. Solutions to resolve market access for Canada's export of bitumen and natural gas will not address the insufficient refining capacity to supply fuels to Canada's core manufacturing, farming, mining, and forestry regions. Co-processing biomass at refineries will reduce greenhouse gas emissions from refined fuels, but investment in new clean fuel production capacity is needed to address our long-term economic growth and transition to zero-emission fuels. Advanced biofuels production capacity supports Canada's farmers,

foresters, and resource communities, by creating long-term, sustainable jobs for skilled workers and value-added manufacturing that reduces commodity market export risks.

In January 2020, ABFC released its [Canada's Clean Fuel Strategy](#) brief and presented the summary recommendations to the Standing Committee on Finance to outline key policy, regulatory and fiscal measures that would support widescale deployment of new investment in Canada's clean fuel sectors (advanced biofuels/synthetic fuels, electric vehicles, renewable natural gas, and solid biomass). The brief identifies core policies to attract private sector investment in clean fuels production capacity and infrastructure, and to maintain leadership in clean technologies such as 'waste to fuels' innovation platforms. These recommendations are even more relevant today, as we seek to navigate a course to economic recovery following the COVID-19 pandemic and mitigate risks from the structural downturn and exposure to foreign oil policies.

"The federal Clean Fuel Standard is the cornerstone policy to attract billions of dollars in clean fuel investments, and help restart the Canadian economy," stated Ian Thomson, ABFC President. "The jobs and benefits to rural and urban Canadians are well understood, as are the immediate reductions in greenhouse gases and air pollution. Calls to delay or repeal the CFS are misguided – the CFS is a key market- and performance-based tool to spur Canada's economic recovery, attracting clean fuel investments in petroleum operations, agricultural and forestry biomass supply chains, waste management, renewable power generation, EV adoption, hydrogen and other renewable gases, and new biofuel production capacity. The global energy transformation plays to Canada's strengths – we have clean renewable power, sustainable biomass resources, a skilled labour force, and nation-wide infrastructure primed to move supplies and goods to market. We call on the federal and provincial governments and political parties to frame a unified vision of Canada's clean energy future – we need to do this now to eliminate policy risks and remove barriers to new, clean energy capital investments. Clean fuels investment will help Canadians get back to work – from coast to coast to coast."

Advanced Biofuels Canada/ Biocarburants avancés Canada is the national voice for producers, distributors, and technology developers of advanced biofuels. Our members are global leaders in commercial production of advanced biofuels, with over 14 billion litres of installed annual capacity worldwide. Our members include Canada's leading advanced biofuels producers and technology innovators and are actively developing new clean liquid fuels production and distribution assets in Canada. For information on Advanced Biofuels Canada and our members, visit: www.advancedbiofuels.ca.

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