

Demand for Recovered Carbon Black Grows on News of EU Sanctions on Carbon Black Imports From Russia

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/EINPresswire.com/ -- Klean Industries Inc ("Klean") is seeing significant demand for carbon black, recovered carbon, and pyrolysis oil. This demand has been steadily increasing over the past year as the Russia and Ukraine war continues to apply pressure on the global supply chains. This has created additional demand for Klean's recovered carbon black ("rCB") and recovered fuel oil ("rFO") which are key products of Klean's end-of-life tire ("EOLT") pyrolysis technology. This has resulted in numerous companies wanting to stable supplies of commodities by securing long-term offtake contracts for these products.



Klean Industries - Recovered Carbon Black Plant for Upgrading Tire Pyrolysis Carbon Char into High Quality Recovered Carbon Black

As Klean continues to expand its project pipeline on a global basis, it anticipates a strong demand for the production of an additional 150,000 metric tonnes of rCB output by 2030. Based on current market sentiment and analysis the Company is seeing a [demand that now easily exceeds 250,000 metric tonnes](#) of which is supported by the establishment of long-term supply agreements for end-of-life tyres and offtake agreements for rCB and rFO. Additionally, Klean is seeing a growth in demand for its rFO from several major virgin carbon black manufacturers.

A multitude of industry-leading consultant and market reports have stated that global demand for rCB is expected to be in excess of 1,000,000 metric tonnes by 2030. As the demand for tire pyrolysis products currently outstrips available supplies, Klean is also undertaking several new projects to supply other pyrolysis projects with the [key equipment needed to improve the quality of rCB and rFO production](#). The request for Klean's commercial rCB and rFO equipment continues to flourish in the supply-constrained marketplace. Klean is an industry leader in tire pyrolysis plant design and equipment manufacturing and is a specialist in the know-how for the processing and upgrading of recovered carbon char into high-quality rCB.



The war in Ukraine is creating supply chain constraints, combined with increasing CO2 regulations, commodity instability, and product circularity are driving the demand for recovered carbon blacks."

*Jesse Klinkhamer, CEO of
Klean Industries Inc*

Virgin Carbon Black (vCB) is an irreplaceable component in new tyres. The current feedstocks utilized in vCB production are fossil fuel-based resources, which are highly susceptible to volatile oil prices in addition to the large amount of CO2 emissions that result from vCB production. According to the Orion Engineered Carbon's Sustainability Report 2020 and others, the global demand for Carbon Black in 2020 was estimated to be 11.9 million tonnes and this resulted in the consumption of over 30 million tonnes of fossil fuels.

While the greenhouse gas ("GHG") emissions emitted by the carbon black industry as a whole has been estimated

at 23.8 million metric tonnes, the forecast for carbon black demand in 2030 is estimated to exceed 19 million metric tonnes. Under the current conditions and assuming the same intensity rate, GHG emissions associated with the Carbon Black industry would increase to over 38 million metric tonnes. The EU-Taxonomy explicitly cites industrial Carbon Black production as making a substantial contribution to climate change. To contribute to the climate protection goals, emissions from the production of Carbon Black must therefore be reduced.

Additionally, Russia, Ukraine, and Belarus are key suppliers of virgin carbon black ("vCB") to the European marketplace. With Europe's dependence on Russian oil, including carbon black oil ("CBO") as a feedstock for the manufacturing of vCB, Klean is witnessing a tightening of supplies and shortages taking place not only in Europe but also in North America.

Europe's desire to reduce its dependence upon Russian oil further exacerbates the ongoing supply issue. As a result of the war in Ukraine, the European Union has now implemented additional sanctions against Russia. According to the European Rubber Journal, the European Union as of February 25th, 2023 has introduced importation quotas of a maximum of 562,973 tonnes of synthetic rubber and 752,475 tonnes of carbon black, with immediate effect. These new sanctions and import quotas for synthetic rubber and virgin carbon black have now been imposed and as an interim step ahead of the total import ban which will take effect after July 1st, 2024.

About Klean Industries

Klean Industries ("Klean") provides best-in-class technologies and solutions in the waste-to-value industry. Our international team of award-winning experts has decades of experience in the design, engineering, and manufacturing of the highest-quality equipment to convert waste streams into valuable energy and resources. Our unique products and services are a result of combined knowledge in the design of recycling, resource recovery, waste management, and power generation projects. Our global project management expertise safeguards timelines and

budgets enabling projects to be delivered in less time and at lower costs.

Klean uses proprietary technologies to rapidly develop projects that produce the highest quality fuels, recovered carbon blacks, and green hydrogen from various kinds of feedstocks. Our know-how and technical skills provide a specialization in building projects that use advanced thermal technologies such as pyrolysis, gasification, and carbonization, which convert end-of-life tires, waste plastics, and municipal solid waste into domestic energy, sustainable commodities, and new cleantech jobs. We create a symbiosis between waste, resources, and energy. Klean Industries is the link between the low carbon, circular economy, and the goal of zero waste to landfill.

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