NexantECA

Markets & Profitability

Market Insights: Hydrotreated Vegetable Oils – 2021

Market Insights: Hydrotreated Vegetable Oils - 2021 is one in a series of reports published as part of NexantECA's Markets & Profitability program.

NexantECA's upcoming Market Insights report provides a comprehensive review of the global market for hydrotreated vegetable oil (HVO), including the markets for renewable diesel, bio-based aviation fuel and bio-based naphtha. The report covers the following scope:

- Discussion regarding key market drivers and constraints for each region
- Supply and demand for nine regions: North America, South America, Western Europe, Central Europe, Eastern Europe, Middle East, Africa, Asia Pacific, and China
- Competitiveness analysis, including competitive landscape, major suppliers and cost competitiveness
- Price forecasts with commentary regarding latest trends
- Forecast period: 10 years history and 15 year forecast to 2035

Along with the written report, data is provided in Excel including global capacity listings

To be Published: Q2 2021

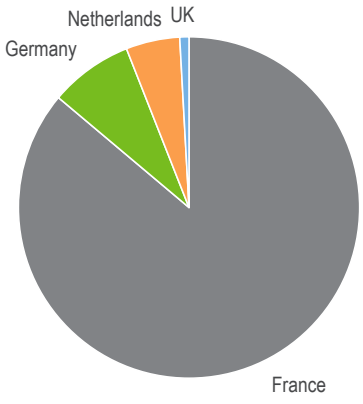
Report Abstract:

The last decade has seen the development of advanced production processes for biomass-derived alternatives to conventional refined products, driven by advancing regulatory requirements on emissions, feedstock origin and the need to raise the proportion of bio-content in fuels beyond the "blend walls" associated with first generation biofuels. Commercial development has been led by the hydrotreating of vegetable and animal-based feedstocks, the output of which is collectively known as hydrotreated vegetable oil (HVO) or hydroprocessed esters and fatty acids (HEFA). HVO processes are currently chiefly used to produce bio-based diesel fuel (commonly known as green or renewable diesel) but are also able to produce bio-based aviation fuel and bio-based naphtha.

The key characteristic of these products is their suitability for use as drop-in alternatives to petroleum-derived products, with no technical limit on the levels at which they can be blended into conventional fuels. In addition, HVO have a high degree of feedstock flexibility compared to the first generation biodiesels (FAME etc) that have dominated biodiesel supply until now. Furthermore, HVO offers improved reductions in both GHG and other emissions compared to both conventional diesel and ME biodiesels.

Accordingly, HVO has the potential to address most of the key concerns that have arisen with regard to biodiesel (and other biofuel) use; food versus fuel competition, feedstock sustainability, life-cycle emissions and blending challenges. In addition, HVO's suitability as a jet fuel alternative – an area in which emissions reduction efforts have so far been limited – and the potential for retrofitting conventional oil refineries for HVO production have made it something of a "holy grail" for governments, biofuel producers, airlines and oil refiners alike.

HVO Demand – North West Europe



Demand for HVO has risen sharply over the last decade, as the production process has been scaled up commercially by pioneering operators. As governments begin to consider the means by which they can make good on ambitious environmental pledges, and the global aviation industry seeks to tackle its contribution to global emissions, it is likely that demand will continue to grow. Meanwhile, long term fundamentals and one-off events such as the COVID-19 pandemic continue to reshape the market for petroleum-derived products. As oil refiners face increasing challenges from oversupply and faltering demand, many are turning to the idea of converting existing capacity to produce low carbon fuels, and HVO is a readily available option, both technically and commercially.

For more information contact us at Markets@NexantECA.com or www.NexantECA.com

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Each region section in Chapter 3 includes:

- Market Overview
- Market Drivers
- Market Constraints
- Competitive Landscape
- Supply and Demand

For additional analysis, please refer to:

- Market Insights: Biodiesel – 2019
- Market Insights: Fuel Ethanol - 2019

Report License Details:

Access to **Market Insights: Hydrotreated Vegetable Oils - 2021** is via a report license agreement and includes:

- 12 month access to the PDF report via NexantECA website, with unlimited downloads of PDF reports
- Excel file
- Consultation time with the project team

Contact Us

For more information:

Markets@NexantECA.com

or

www.NexantECA.com

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The **Markets and Profitability** program tracks over 60 feedstocks, petrochemicals, polymers, chemical intermediates and fertilizers on an ongoing basis and provides regularly updated reports covering all commercial aspects of these global industries. The accompanying database, provides global analysis and forecasts in two major inter- related areas: **Markets and Profitability**.

NexantECA serves its clients from over 30 offices located throughout the Americas, Europe, the Middle East, Africa and Asia.

Americas
Tel: +1 914 609 0300
44 S Broadway,
4th Floor White Plains
NY 10601-4425
USA

Europe, Middle East & Africa
Tel: +44 20 7950 1600
1 King's Arms Yard
London EC2R 7AF
United Kingdom

Asia Pacific
Tel: +662 793 4600
22nd Floor, Rasa Tower I
555 Phahonyothin Road
Kwaeng Chatuchak
Khet Chatuchak
Bangkok 10900
Thailand