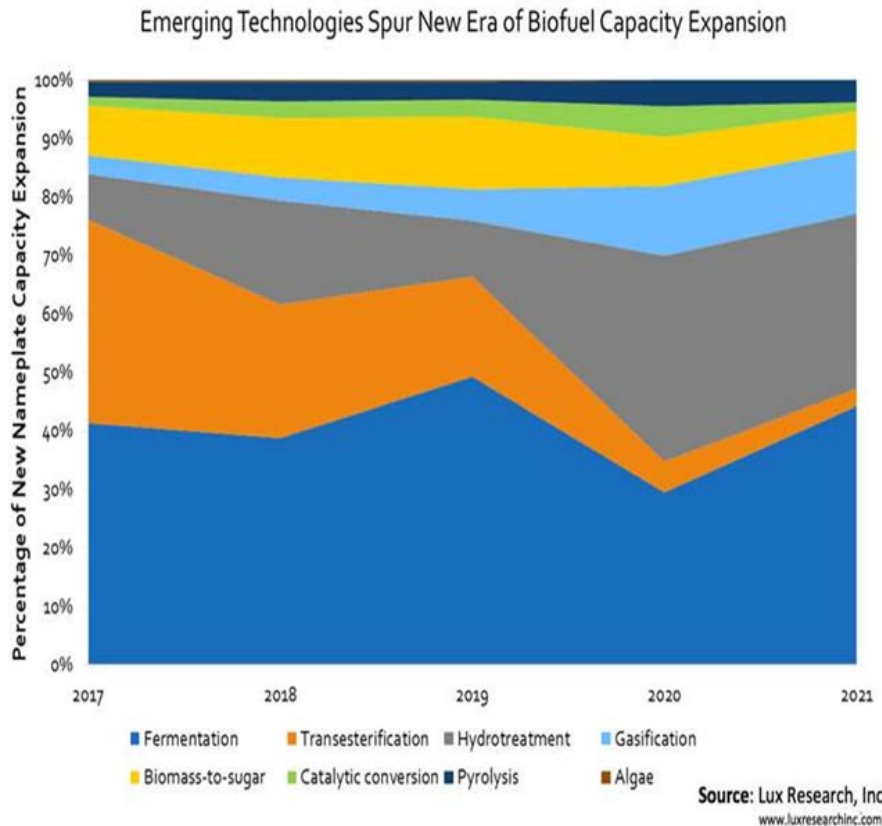


SENT TO LSU AGCENTER/LOUISIANA FOREST PRODUCTS DEVELOPMENT CENTER - FOREST SECTOR / FORESTY PRODUCTS INTEREST GROUP

Global Biofuels to Hit 67 Bi. Gals.in 2022 as Next-Gen Tech Takes Over

Advanced biofuels will nearly double in five years to 9.6 billion gallons per year as first-generation fuels like traditional biodiesel lose out to newer low-carbon fuels, says [Lux Research](#).



The global consulting firm says new biofuel technology is finally starting to push aside traditional biofuels like first-generation biodiesel. New facilities based on non-food feedstocks and producing novel fuels account for over half of new capacity deployment for the first time in the biofuel industry's history, the researchers say.

However, overall output will grow at a slower pace, to 67 billion gallons a year (BGY) in 2022, from 59 BGY in 2016.

"A new era of technology commercialization has brought the global biofuels industry to the cusp of a tipping point, as new facilities target low-carbon and high-performance drop-in biofuels," said Runeel Daliah, Lux Research associate and lead author of the report titled, "[Biofuels Outlook 2022: The Dawn of a New Era in Global Biofuel Capacity Expansion](#)."



18 February 2017



SENT TO LSU AGCENTER/LOUISIANA FOREST PRODUCTS DEVELOPMENT CENTER - FOREST SECTOR / FORESTY PRODUCTS INTEREST GROUP

"With many of the technologies capable of producing advanced biofuels still at demonstration scale, the next five years will be critical as companies raise capital, establish value chain security and produce commercial volumes as these projects come online," he added.

Lux Research analysts quantified the commercial deployment of new technologies in the global biofuels industry using a database of nearly 2,000 facilities from 1,461 companies in 90 countries with nameplate capacity data through 2022. Among their findings:

- Growth slows but advanced biofuels rise. The global biofuels industry will grow at a slower 2.2 percent annual rate to 67 BGY of nameplate capacity by 2022. First-generation biofuels, which hold a 91.5 percent market share, will continue to dominate but will lose nearly 6 percent of market share, as advanced biofuels see rapid growth, nearly doubling capacity to 9.6 BGY.
- Biodiesel begins to fade. Second-generation biodiesel makes up 65 percent of the 5.0 BGY advanced biofuel market today, but is projected to lose 26 percent market share by 2022 due to the rapid growth of low-carbon and high-performance drop-in biofuels such as renewable diesel.
- Thermochemical and catalytic processes usher in new era. Emerging thermochemical and catalytic technologies will surpass bioconversion processes to make up over half of the new capacity deployment for the first time in the biofuel industry's history.

Richard P. Vlosky, Ph.D.

Director, Louisiana Forest Products Development Center

Crosby Land & Resources Endowed Professor of Forest Sector Business Development

Room 227, School of Renewable Natural Resources

Louisiana State University, Baton Rouge, LA 70803

Phone (office): (225) 578-4527; Fax: (225) 578-4251; Mobile Phone: (225) 223-1931

Web Site: www.LFPDC.lsu.edu



President, Forest Products Society; President-Elect, WoodEMA i.a.

