Sourcing Waste and Residue Feedstock for the European Market

ISCC Stakeholder Dialogue - Shanghai
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Eni – a major integrated energy company

PRESENT IN

1.9 Mboe/d
Hydrocarbon Production (2018)

7.2 B boe
Proven reserves (2018)

7.9 B USD
Capital expenditure (2018)

~ 56 B USD
Market cap as of 12 04 2018

14 B boe
Resources discovered since 2008

Source: Eni data
Introduction of Green refineries

- Leading renewable diesel producer worldwide
- In-house Ecofining technology
- Key assets: Venice (300kt/yr), Gela (700kt/yr)
- Operational excellency:
  - Environment friendly
  - Reliability
  - Flexibility
  - Sustainability
- Products suitable for global market
Benefits of HVO in the energy complex

- **Premium quality fuel:**
  - High cetane
  - Low density
  - High energy content
  - Can be blended up to 100% with diesel

- **Environment friendly fuel:**
  - Low sulphur
  - Low carbon dioxide emission
  - Low NOx emission

- **Economical fuel:**
  - No extra Capex to meet environmental requirements
RED II and Feedstock flexibility

- **Trends**
  - Less vegetable oil, especially palm oil
  - More traditional waste feedstock, uco/tallow
  - More advanced feedstock with limited ILUC implication

- **Complex Market**
  - RED II as guidance, at EU level, different implementation across various Member States
  - Same feedstock may not share the same status among Member States
  - Member States may impose additional requirements, i.e. categorization, sustainability

- **Solution**
  - Certified feedstock for the right market
  - Flexibility to switch to the most economical feedstock
  - Adapt the finished products to Market requirements of the target Member state
  - Work closely with suppliers to achieve the above
Feedstock Market Trends

**Current Flows**
- Increasing Flows of UCO into EU (1.2m t 2018)
- Increasing Flows of POME, SBEO into EU

**Current Challenges**
- Finding incremental volumes of sustainable UCO, Animal Fat and POME
- Sustainability documentation and Frauds are a growing problem
- The Market needs to find additional streams of residues
  - Industrial waste flows
  - Low grade waste (i.e. yellow grease etc.) refined to acceptable specifications
Thank you!