

## PRESS RELEASE

### Apical-Cepsa Joint Venture Commences Construction of Southern Europe's Largest 2G Biofuels Plant

- ***Scheduled to commence production in 2026, the €1.2 billion plant will produce 500,000 tons of sustainable aviation fuel (SAF) and renewable diesel – enough sustainable jet fuel to fly across the planet 1,300 times, and preventing CO2 emissions of 3 million tons per year***
- ***Apical will supply 2G feedstock (organic waste such as agricultural waste and used cooking oils) to the new plant, addressing the industry challenge of accessing raw materials for SAF production***
- ***Apical is actively exploring similar partnerships with global oil majors to set up SAF facilities in the region to optimise supply and demand and scale up SAF adoption in an affordable manner to support Singapore's plan for all outbound flights to use SAF from 2026***

**Singapore, 26 February 2024** – Apical, through its renewable energy subsidiary Bio-Oils, has commenced construction of southern Europe's largest second-generation (2G) biofuels plant with its joint venture partner, Cepsa. Apical, a leading vegetable oil processor, is a member of the Singapore-headquartered RGE group of companies.

The €1.2 billion facility, which is scheduled to commence production in 2026, will flexibly produce 500,000 tons of sustainable aviation fuel (SAF) and renewable diesel - enough sustainable jet fuel to fly across the planet 1,300 times. The production capacity also prevents CO2 emissions of 3 million tons per year, which is equivalent to keeping more than 600,000 standard passenger vehicles off the road annually<sup>1</sup>.

Through a long-term agreement, Apical will supply 2G feedstock (organic waste such as agricultural waste and used cooking oils) to the new plant, addressing the key industry challenge of accessing raw materials for SAF production.

**Pratheepan Karunakaran, Executive Director, Apical, said,** “While SAF is set to be the driving force for decarbonisation of the aviation sector, access to sustainably available feedstock remains a challenge for many countries. As we continue to expand Apical's global footprint and capacities, the availability of waste and residue is set to grow in tandem, enabling value-added partnerships to be forged for our waste stream to drive the production and adoption of SAF. Our 2G biofuels plant with Cepsa, which will be the largest aviation fuel processing facility in southern Europe, is an excellent example of how industry players can come together to unlock the potential of SAF and scale up production and adoption.”

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<sup>1</sup> Based on [statistics](#) by the United States Environmental Protection Agency, 2023.

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**Maarten Wetselaar, Cepsa CEO, added,** “We have broken ground on our second-generation biofuels plant, the first major milestone of our Positive Motion strategy. This strategic project for Spain and Andalusia will make us a European benchmark in the field of green molecules and facilitate the immediate decarbonisation of sectors that cannot run on electrons, like aviation. This is the start of a new chapter for Cepsa and this region that will generate quality employment and a new era of industrialization.”

This new plant, which will be built with the latest technology for the production of renewable fuels, will have a minimal environmental impact. Thanks to the consumption of renewable hydrogen, 100% renewable electricity and different heat recovery and energy efficiency systems, this facility will emit 75% less CO<sub>2</sub> than a traditional biofuel plant and is designed to achieve net zero emissions in the medium term. Likewise, it will not consume fresh water, but only use reclaimed water.

Designed as a digitally native plant, the upcoming 2G biofuels plant in southern Europe incorporates the latest industry advancements in artificial intelligence, internet of things (IoT) and data analysis to maximise process efficiency and ensure the highest standards of safety and environmental protection.

The facility will double the current production capacity of Cepsa and Bio-Oils to 1 million tons per annum.

### **In talks with global oil majors to explore similar partnerships in the region**

Leveraging its ability to source high quality 2G feedstock efficiently and sustainably, Apical is actively exploring similar partnerships with global oil majors to set up SAF production facilities in Singapore and Asia, where the SAF market is still in its infancy stage.

This will help to meet the anticipated rise in SAF demand as Singapore rolls out its plan for all outbound flights to use the green fuel from 2026.

“One factor hindering the uptake of SAF in the region is the price premium. However, Asia holds tremendous potential as it is home to six ASEAN countries, including Indonesia, Malaysia, and Thailand, which collectively have the potential to support SAF production in the region with the required feedstock of waste and residue oil. Apical has a very strong regional presence, where we operate at the forefront of the bioeconomy, embracing a waste-to-value approach. We have the ready 2G feedstock to drive SAF production in the region, through partnerships,” **Mr Karunagaran explained.**

“We welcome the recent announcement by Singapore which requires all outbound flights to use SAF by 2026. As a regional air hub, Singapore is leading the way by driving the use of this green fuel and, at the same time, help airlines to manage the higher costs associated with SAF. It will use the levy paid by consumers to centrally purchase SAF for use by airlines. For Singapore to successfully achieve its SAF target from 1% in 2026 to 3% – 5% by 2030, it is



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important to drive deeper industry collaboration to optimise supply and demand, and scale up SAF adoption in an affordable manner – benefitting both consumers and airlines.”

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### **About Apical – [www.apicalgroup.com](http://www.apicalgroup.com)**

Apical is a leading vegetable oil processor with an expanding global footprint. Its vertically integrated refining and value-added processing makes it an integral supplier that supports the food, feed, oleochemicals, and renewable fuel needs across all industries. With integrated assets in strategic locations spanning Indonesia, China, and Spain, Apical operates numerous refineries, oleochemical plants, renewable biofuel plants and kernel crushing plants. Through joint ventures and strategic partnerships, Apical also has processing and distribution operations in Brazil, India, Pakistan, Philippines, Middle East, Africa, USA and Vietnam. Apical's growth is built on the foundations of sustainability and transparency, and motivated by its strong belief that the company can make a more meaningful impact, even as it continues to grow its business and deliver innovative solutions to its customers.

### **About Bio-Oils – [www.bio-oils.com](http://www.bio-oils.com)**

Bio-Oils was founded in 2005 to develop biofuel projects, with the strategic goal of becoming a leading industrial player in the Spanish and European biodiesel markets. The "La Rábida" biodiesel plant, owned by Bio-Oils, a member of the Singapore-based Apical group of companies located in Palos de la Frontera (Huelva), began operating in 2008 and is now one of the most efficient plants in Spain, benefiting from a strategic location with pipeline connections to loading docks for ships, trains, and tankers.

Through an ambitious R&D programme, Bio-Oils has extensive experience in the production of high-quality biofuels from a wide variety of oils. The plant currently uses all available first-generation oils, and has been adapted to process other residual raw materials. Committed to operating under the highest sustainability standards, Bio-Oils is a member of APPA (Association of Renewable Energy Producers), FOSFA (Federation of Oils, Seeds, and Fats Associations), EBB (European Biodiesel Board), EABA (European Algae Biomass Association), and AIQBE (Association of Chemical, Basic, and Energy Industries of Huelva).

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