NEW STUDY SAYS DIVERTING PINE CHEMISTRY CO-PRODUCTS TO BIOFUEL DOES NOT FURTHER REDUCE GREENHOUSE GASES

WASHINGTON (Feb. 12, 2014) – Results of a third-party peer-reviewed life cycle assessment (LCA), published today — “Greenhouse Gas and Energy Life Cycle Assessment of Pine Chemicals Derived from Crude Tall Oil and Their Substitutes” — found that diverting Crude Tall Oil (CTO) into biofuel production in Europe will not have a significant effect in either reducing carbon emissions nor fossil fuel consumption. CTO is a sustainable raw material that has been used in biorefining to produce pine chemicals for decades.

The LCA study, sponsored by the American Chemistry Council’s (ACC) Pine Chemistry Panel and conducted by Franklin Associates, a Division of Eastern Research Group, found that:

- The global carbon footprint of pine chemicals produced from CTO is 50 percent lower than substitute products used in the same situation.
- CO2 equivalent emissions will be essentially the same if CTO is used as a fuel or in chemical products in Europe.
- The amount of fossil fuel required to manufacture the substitute products of pine chemicals substantially offsets any fossil fuel reduction that might occur if CTO were used in fuel.

“This study proves that the pine chemicals industry makes a significant positive contribution to achieving the twin bio-economy goals of reducing greenhouse gas emissions and fossil fuel consumption,” said Kevin Moran, director, Chemical Products & Technology Division at American Chemistry Council. “It provides a baseline of solid, scientific evidence for policymakers to consider in the debate around the use of CTO as a raw material for biofuel.”

Industries compete in the marketplace to purchase CTO, a co-product of papermaking and a constrained resource. Government mandates and subsidies incentivizing use of this finite biomass material in fuels damage the pine chemical biorefining industry by limiting CTO availability. The study demonstrates that while there are no significant environmental gains from doing this, at the same time it could cause unintended negative consequences to the innovative, established pine chemicals industry, which manufactures hundreds of consumer products that add value to society.

“The logical conclusion from this study is that with no real net reduction in carbon dioxide emissions or fossil fuel consumption gained by diverting CTO into biofuels, there is no benefit in redirecting its use,” observed Charlie Morris, president and CEO of the Pine Chemicals Association. “In fact, the legislation and tax dollars incentivizing CTO use in fuels will place huge amounts of capital at risk, reduce innovation, destroy jobs, and will accomplish no tangible
environmental benefit. The pine chemicals industry strongly advocates for a level playing field with impartial financial access to CTO.”

“The LCA results prove that otherwise well-intentioned policies can cause harm to essential industries,” Moran added.

The Executive Summary of the LCA study is available online.

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http://www.americanchemistry.com

The American Chemistry Council (ACC) represents the leading companies engaged in the business of chemistry. ACC members apply the science of chemistry to make innovative products and services that make people's lives better, healthier and safer. ACC is committed to improved environmental, health and safety performance through Responsible Care®, common sense advocacy designed to address major public policy issues, and health and environmental research and product testing. The business of chemistry is a $770 billion enterprise and a key element of the nation's economy. It is one of the nation's largest exporters, accounting for twelve percent of all U.S. exports. Chemistry companies are among the largest investors in research and development. Safety and security have always been primary concerns of ACC members, and they have intensified their efforts, working closely with government agencies to improve security and to defend against any threat to the nation's critical infrastructure.

http://www.pinechemicals.org

The Pine Chemicals Association (PCA) is the only association dedicated exclusively to the global pine chemicals industry. Pine Chemicals are environmentally friendly products that use natural, renewable products as primary raw materials originating from sustainable forestry sources. The chemicals produced by this industry are used in consumer products such as flavors and fragrances, vitamin intermediates, disinfectants, inks, adhesives, paints, papermaking, synthetic rubber production, soaps and mining chemicals. PCA represents rosin and terpene producers and consumers of crude gum tapped from pine trees, and producers and consumers of papermaking co-products, including tall oil rosin, tall oil fatty acids and terpene chemicals.