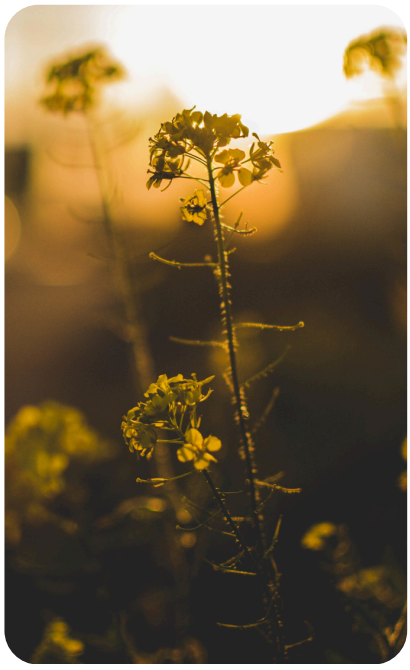
NEWS REVIEW

February 2026

Feedstocks

Each month we review the latest news and select key announcements and commentary from across the Feedstocks and Biorefineries sector.

Announcements & Commentary



Research & Development

Providing clients with a strategic view of feedstock, technology, policy and marketing opportunity across the bioeconomy.

FOREWORD

Welcome readers, to this month's Feedstocks and Biorefinery News Review.

The Wood Recyclers' Association (WRA) has warned that millions of tonnes of UK waste wood could lose their domestic market from 2027 unless the government provides urgent support for the biomass sector. Of the 4.5 million tonnes of waste wood arising annually in the UK, nearly 3 million tonnes -including difficult-to-recycle lower-grade material - is currently sent to biomass plants for low-carbon energy production. However, as Renewables Obligation (RO) support ends from April 2027, many of these plants face closure, decimating the UK's largest waste wood outlet and forcing operators to either export the material or divert it to landfill.

The WRA is calling for time-bound transitional support through a contracts-for-difference mechanism to bridge the gap until the mid-2030s when greenhouse gas removal (GGR) technology and supporting infrastructure will be available at scale. The association emphasises that recent market oversupply due to temporary facility outages is just "the tip of the iceberg" compared to the crisis that would unfold if it caused biomass plants to close.

The importance of biomass in European Green Deal policies is exemplified in a recently published article in Elementa by Elena Zepharovich and colleagues. The article identifies a fundamental tension in European Green Deal policies where biomass is simultaneously expected to serve two conflicting roles: as a protected resource providing regulating and supporting ecosystem services (carbon sequestration, biodiversity, soil formation), and as a feedstock for provisioning services (energy, materials, food) to sustain economic growth. The authors argue that this "blanket-pulling" phenomenon, where the same resource is expected to simultaneously meet diverse policy objectives, poses challenges to achieving coherence across EU policies. The analysis also identifies two significant regulatory blind spots. First, despite evidence that public engagement is a key driver of forest conservation, policies systematically overlook the social and recreational value of biomass (i.e., cultural services). Second, the framework fails to set hard, quantifiable limits on extraction. This reluctance to cap usage stems from a combination of vague strategic wording, the complexity of Member States autonomy (subsidiarity), persistent data gaps, and political hesitation to impose measures that might restrict economic growth.

Dr. Neil D'Cruze, a research strategic lead at environmental NGO, Canopy, argues that the global wood fibre supply chain is shifting from a model of abundance to one of high-stakes resilience as escalating demand from construction and energy sectors competes with a forest supply destabilised by climate-driven shocks, like wildfires and pests. Neil emphasises that businesses can no longer rely on increasing virgin wood harvests, as tightening regulations like the EU Deforestation Regulation (EUDR) and the physical loss of timber quality make "business-as-usual" sourcing both financially and operationally risky. He proceeds to propose three practical shifts for future-proofing supply chains: (1) reducing reliance on virgin wood by scaling circular and next-generation alternatives such as agricultural residues and recycled textiles; (2) de-risking remaining wood supplies through credible certification, traceability, and respect for Indigenous rights; and (3) integrating wood-related risks into scenario analysis and financial stress-testing.

Read on for the latest news.

Policy

Outlet for millions of tonnes of waste wood will be lost unless government acts now, warns WRA

Millions of tonnes of UK waste wood could be without a domestic market from next year if the government does not take urgent steps to protect the UK's waste wood biomass sector, the Wood Recyclers' Association (WRA) has warned.

Around 4.5 million tonnes of waste wood arise in the UK each year and the majority of this (nearly 3 million tonnes) – including lower grade material that is difficult to recycle – is sent to biomass plants each year to produce low-carbon baseload energy.

However, from April 2027, support for these plants under the Renewables Obligation (RO) starts to fall away, forcing many of these plants to close.

Click here for more information.

The role of biomass in the European Green Deal policies

The European Green Deal (EGD) is a cornerstone policy framework of the European Union (EU), aimed at transforming the region's economy into a sustainable, low-carbon model while achieving climate neutrality by 2050 (European Commission (EC), 2019a).

The EGD is divided into 8 thematic areas. Each thematic area is supported by key actions, in other words different policies contribute to the achievement of the area (as specified in the Annex of the EGD).

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Markets

UK cereals demand hit by bioethanol losses and maltster cuts

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Demand for UK cereals has plummeted as a result of the closure of the UK's major bioethanol plants and decreased usage by brewers, maltsters and distillers.

The UK cereals supply and demand estimates, published by the AHDB, show that UK human and industrial demand is expected to hit a 20-year low for the 2025-26 crop year at 9.17m tonnes.
The AHDB says much of this was driven by a fall in demand from the bioethanol sector, with neither of the UK's major bioethanol plants currently in operation.

Maize alone has seen human and industrial consumption fall by 48% from 1.06m tonnes in 2024-25 to just 557,000 tonnes for 2025-26, as a result of the reduced demand from bioethanol plants.

The Vivergo Fuels bioethanol plant, near Hull, East Yorkshire, closed last August, following a trade deal with the US which removed tariffs on "cheap" US ethanol imports.

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Mars Materials Accepted into Shell GameChanger Program to Accelerate Alternative Acrylonitrile Pathway

Mars Materials ("MM" or the Company), a company working to store captured carbon dioxide into everyday products, today announced its selection into Shell GameChanger and successful advancement past the program's first stage gate. The program aims to validate an alternative, bio-based feedstock for MM's proprietary acrylonitrile production pathway.

MM's acrylonitrile is a key chemical building block for carbon fiber, water production polymers, durable plastics, textiles and more, is hydrogen cyanide-free and has been validated by global industry. Produced at MM's pilot plant, Cassini, the team has successfully scaled its novel process from gram-scale to kilogram-scale production of acrylonitrile.

The Shell GameChanger test program aims to validate bio-based sugar feedstock as an alternate raw material to CO2 for the MM's acrylonitrile pathway.

"We're beyond excited to participate in Shell GameChanger, a program that exemplifies how startups and corporations can innovate together to unlock commercial opportunity," said Aaron Fitzgerald, CEO and Co-Founder of Mars Materials. "Shell's support has already accelerated our development by an estimated three years. Shell GameChanger will help expand our choice of raw material with a bio-based sugar option, giving us another edge over the incumbent acrylonitrile production process, which relies on a globally distributed supply chain."

Click here for more information.

AHDB: Arable Market Report

This week's view of grain and oilseed markets, including a summary of both UK and global activity.

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Ranking economic and environmental performance of feedstocks used in bio-based production systems

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Biotechnology offers renewable alternatives for producing food, materials, and numerous functional compounds. While rampant human activities are disrupting planets' geophysical flows, it is urgent to develop sustainable solutions with novel feedstocks and innovative valorization pathways.

In this review, the economic and environmental performances of the feedstocks are analyzed, and quantifications are presented and standardized based on techno-economic analysis and life cycle assessment models.

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From risk to resilience: Rethinking wood in global supply chains

If your business depends on wood, the next decade will not look like the last one. Canopy's strategic research lead, Dr Neil D'Cruze, explains why and sets out top tips for enhancing supply chain resilience for forest products.

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Research & Development

Sustainable biofuel from new feedstock

Pongamia oil could emerge as a scalable, sustainable aviation fuel feedstock later this decade if plantation economics, regulatory eligibility, and offtake demand align, Guillaume Foucheres, managing partner at Canopy Energies, said in an interview with Platts, part of S&P Global Energy. Canopy Energies is developing one of the world's largest pongamia plantations in Madagascar, positioning the tree-based oilseed as a complement to used cooking oil, which currently dominates the hydroprocessed esters and fatty acids SAF pathway but faces structural supply constraints.

As the global SAF and HVO build-out accelerates, markets are straining under tightening supplies of waste and vegetable oils and increasing scrutiny of sustainability claims. Attention is increasingly shifting to non-food feedstocks, with pongamia re-emerging as a credible option.

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From precision-bred hemp to Sunshine Tomatoes: £21.5m to drive farm innovation in England

At least £21.5 million in new funding will back 15 innovation projects across England to help farms cut emissions, strengthen resilience and boost productivity.

Delivered through Defra's Farming Innovation Programme in partnership with Innovate UK, the projects will move cutting-edge research into practical tools farmers can use on the ground – from vitamin-enriched tomatoes and climate-ready hemp.

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Wood & Crops

Factory hoping to turn wood dust into electricity

A door company says it holds the key to turning wood dust into electricity to help power its factory. It's part of a new multimillion-pound investment by O&S Doors.

The company says the onsite renewable heat and energy technology is "a first on the island of Ireland". Currently the company takes wood dust left over from the manufacturing process and ships it to England where it is used as animal bedding or sent to landfill.

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RUNFASTER4EU: using unused land to grow feedstock for biobased products

RUNFASTER4EU (Flagship demonstRation of Bio-based valUe chaiNs For vAloriSaTion of sustAinable oil cropS for marketable applications) is funded by the Circular Bio-based Europe Joint Undertaking. It will demonstrate that oil crops for use in biobased products can be grown on marginal land.

Marginal land is defined basically as land where it is not worth the cost to the farmer to try growing anything: the cost would outweigh the potential profits. The goal is to avoid Indirect Land Use Change, or ILUC, i.e. taking land away from food and feed production to grow crops intended for biofuels instead. The project will achieve this by using land which was not being used anyway because it is polluted, lacking in nutrients or simply difficult to get to. Making use of something deemed to be waste is definitely in line with circular principles!

The project will devise a new value chain which is sustainable and can be rolled out elsewhere at industrial scale.

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CROPSAFE Project Launches Under Horizon Europe to Develop Bio-Based Alternatives to Chemical Pesticides

According to the Food and Agriculture Organisation (FAO), approximately 40% of food crops are lost worldwide each year due to plant pests and diseases. The use of chemical pesticides, while effective, worsens environmental issues such as soil biodiversity loss, bioaccumulation in non-target organisms, and contamination of water and soil. As many of these chemicals are now classified as substances of very high concern and are being withdrawn, farmers are left without viable alternatives.

In response to this, the CROPSAFE project is developing innovative, bio-based solutions as alternatives to conventional pesticides. The project focuses on addressing severe pest pressures on three key food crops—potatoes, tomatoes, and bananas—by using renewable bio-based waste, including aquatic biomass, coffee grounds, and forestry residues to create bioactive compounds and delivery systems for effective pest management.

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Kazakhstan to Increase Grain Processing Nearly Tenfold by 2028

Kazakhstan plans to increase its deep grain processing capacity nearly tenfold by 2028, as part of a broader strategy to shift from raw material exports to the production of high value-added agricultural products. The initiative includes five major investment projects for wheat and corn processing, with a combined annual capacity of 4.8 million tons of grain.

According to the Ministry of Agriculture, the projects will be located across the northern, southern, and central regions of the country and are expected to become a cornerstone of Kazakhstan's agro-industrial transformation.

These priorities were outlined during the fourth meeting of the National Kurultai in March 2024, where President Kassym-Jomart Tokayev emphasized the need for industrial diversification and greater economic resilience.

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Record-high soybean crop expected in Brazil

Conditions are favorable for a record 2025-26 soybean crop in Brazil, along with a projected new high in exports, driven by demand from China, according to a report from the Foreign Agricultural Service (FAS) of the US Department of Agriculture.

Planting reached nearly 98.5% of the total projected area as of the second half of December, with planting already completed in Mato Grosso, Paraná, Goiás, Mato Grosso do Sul, Minas Gerais, São Paulo, Bahia, Tocantins, and most other regions, the FAS said.

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Biorefinery

Italy's Eni teams up with Q8 to build biorefinery in Sicily

Italian energy group Eni (ENI.MI), and Q8 Italy have agreed to jointly build and operate a new biorefinery at Priolo, in Sicily, a major step in the conversion of the site's former chemical facilities, the two companies said on Tuesday.

The move is part of Eni's strategy to overhaul its loss-making chemical business as the European petrochemical sector struggles with overcapacity.

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UMeWorld Advances Malaysia Sustainable Aviation Fuel (SAF) Feedstock Facility Into Industrial Execution; Unlocks Critical Feedstock Supply for Global SAF Market

UMeWorld Limited (OTC: UMEWF), a company advancing enzymatic biorefining solutions for renewable fuels and functional nutrition, today announced key execution milestones for its Malaysia Sustainable Aviation Fuel (SAF) feedstock facility, marking the project's transition into industrial execution. The facility is designed to supply SAF-ready renewable fuel intermediates to refiners and SAF aggregators seeking compliant, scalable feedstock solutions.

The Malaysia SAF feedstock initiative will be executed through UMeWorld's newly formed Malaysian subsidiary, Verdant Sustainable Fuel Sdn. Bhd., which was incorporated on January 16, 2026, and will manage project development, construction, and commercial operations.

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Others

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Barcelona's WtEnergy raises €10 million to drive energy recovery of industrial waste and biomass

A Barcelona-based company specialising in the energy recovery of waste and biomass through gasification technologies, has closed a €10 million financing round to support the execution of its project pipeline, plant standardisation, organisational strengthening, development of new syngas applications, and European expansion. The round led by SC Net Zero Ventures, Suma Capital's Climate Tech fund, focused on scaling growth-stage companies, with participation from Shell Ventures and existing shareholder Cemex Ventures.

"This financing round represents a key milestone for Waste to Energy Advanced Solutions. It supports the accelerated deployment of our technology at an industrial scale, while helping our customers recover energy from their waste, turning it into a competitive source of alternative energy and new low-carbon molecules. Having partners such as Shell Ventures, Cemex Ventures and Suma Capital strengthens our vision and encourages us to take the next step in our growth," said Andrés Ponce, CEO of WtEnergy.

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How biomanufacturing can turn food waste into a climate solution

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Biomanufacturing offers a powerful way to decarbonize everyday goods. Instead of using petroleum as our carbon source, we can use glucose that plants produce from carbon dioxide and sunlight.

But there's a fundamental problem with scale. The world cannot produce enough affordable glucose to replace petroleum-based products through fermentation. Meeting that demand would require roughly one-third of arable land to grow corn or wheat for glucose production.

The promise of biomanufacturing – the use of living organisms and cells to produce molecules or other biological materials to make products such as materials, chemicals and foods – is constrained not by the technology itself, but by the world's limited supply of affordable glucose from monocrops.

Click here for more information

Events

25th - 26th February 2026
Lignofuels 2026
Helsinki, Finland

Click here for more information

10th - 11th March 2026
IBioIC Annual Conference 2026 (IBioIC26)
Glasgow, UK

Click here for more information

21st - 23th April 2026
Argus Biomass Conference
London, UK

Click here for more information

9th - 11th March 2026
Fastmarkets Forest Products Europe Conference 2026
Barcelona, Spain

Click here for more information

14th - 15th April 2026
Biofuels International Conference & Expo 2026
Barcelona, Spain

Click here for more information

19th - 22th June 2026
34th European Biomass Conference and Exhibition 2026
The Hague, Netherlands

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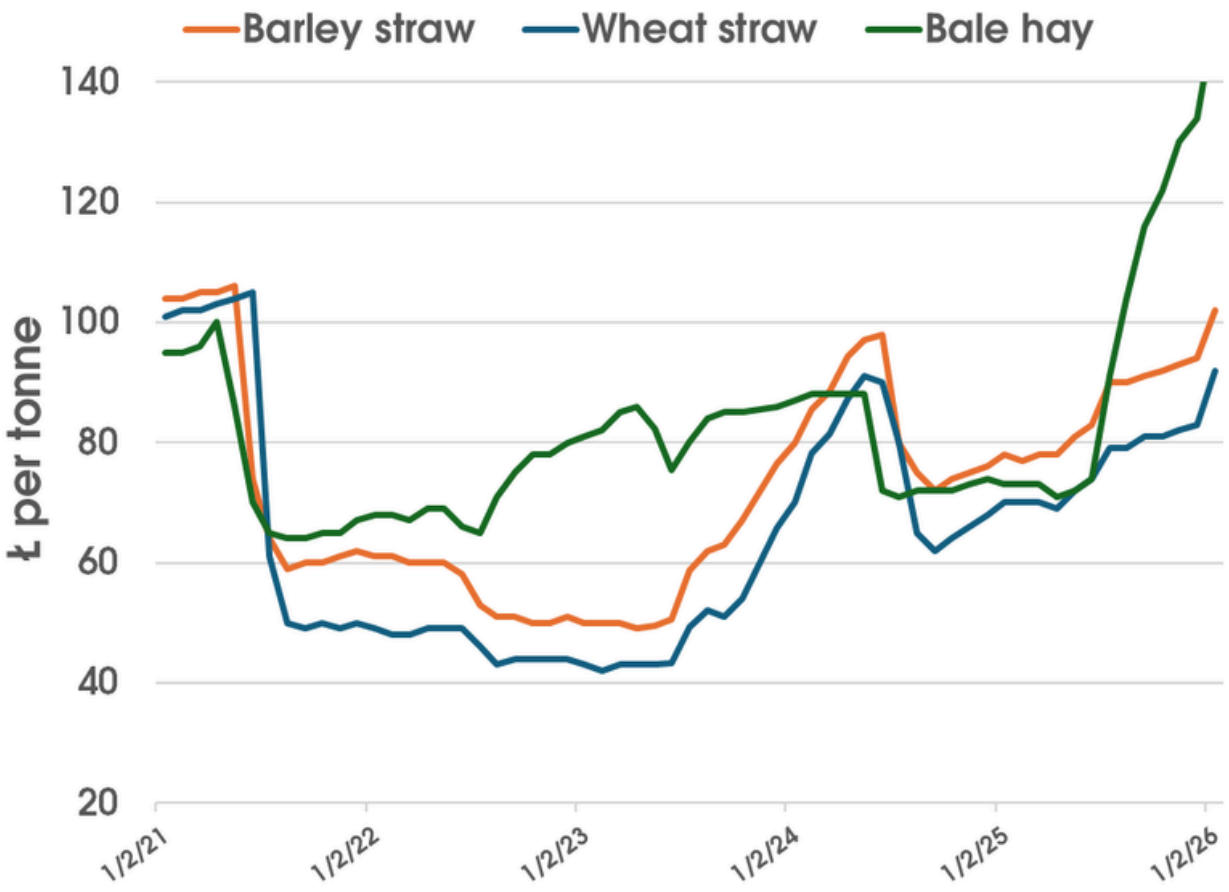
Feedstock prices

UK spot prices of bagged wood pellets, delivered. Grain and oilseed prices are across all main regions of the UK.

	Wood Pellets	Milling wheat	Feed wheat	Feed barley	Oilseed rape
	£/kg, 5% VAT	£/tonne, ex-farm	£/tonne, ex-farm	£/tonne, ex-farm	£/tonne, ex-farm
High	0.42	178.00	170.00	161.00	419.00
Low	0.35	171.00	151.00	139.00	400.00
Average	0.38	174.50	162.45	151.20	411.64

For wood pellets prices we consider UK pellet traders advertised selling prices.
For details on grains and oilseed prices, see Farmers Weekly.

Monthly prices of ex-farm Hay and Straw in England and Wales. Prices shown are for 5 years up to January 2026.



Source: British Hay and Straw Merchants' Association, Defra

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Alder BioInsights is a leading international consultancy with expertise on the conversion of biomass to bioenergy, biofuels and biobased products.

Biocentre, York Science Park, Innovation Way, Heslington, York YO10 5NY

+44 (0) 1904 217 182 | enquiries@alderbioinsights.co.uk

alderbioinsights.co.uk