

**May 2026**

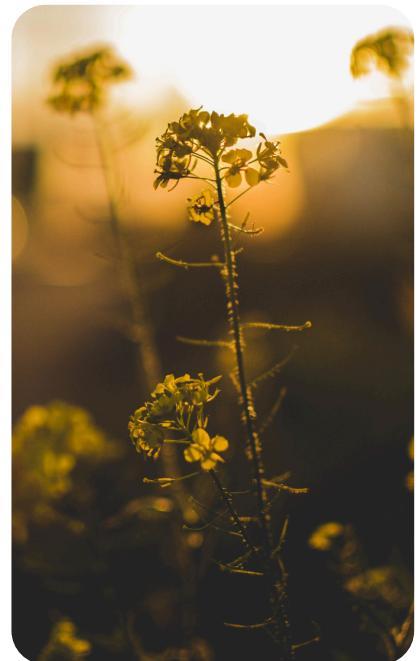
# Feedstocks

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.



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

Recent developments from Drax underline the continuing role of biomass in supporting the UK power system, while also highlighting the importance of dependable pellet supply chains and operational flexibility in meeting demand. Drax says it has started 2026 well, with good operational performance across the group and full year. The company continues to expect adjusted EBITDA to match consensus estimates for 2026, which stood at £665 million as of late April. The update also points to strong cash discipline and shareholder returns, with the first £75 million tranche of the £450 million buyback completed and a second tranche due to begin in May, alongside a proposed final dividend of 17.4 pence per share.

Strategically, the message is that Drax is shifting from a mainly biomass-led story to a broader flexible energy platform. The company is expanding into battery storage, progressing its first OCGT unit, and securing long-dated capacity-market income, while also continuing to rely on its biomass generation and pellet business to support UK energy security.

Complementing this, the newly named vessel Ultra Yorkshire completed its maiden transatlantic voyage, delivering over 29,000 tonnes of biomass pellets from Baton Rouge to the Port of Liverpool. Powered entirely by B100 biofuel, the journey achieved approximately 90% lower CO<sub>2</sub> emissions compared to conventional marine fuel. This example showcases enhanced UK energy security through reliable biomass supply chains but also provides a real-life exemplar for advancing low-emission logistics for sustainable feedstocks.

To assist biomass supply, the UK's Wood Recyclers' Association is urging waste producers to segregate waste wood at source so more material can be recycled rather than diverted to lower-value uses or energy recovery. Its main message is that contaminants, especially MDF, should be removed where possible because the panel board sector - the UK's largest waste wood recycler - cannot process it without causing operational problems and machinery blockages. The WRA says better segregation and contaminant-free wood improves recycling potential, opens up more end-market offtake options, and reduces dependence on a single outlet when markets are volatile.

Germany's waste wood market has tightened after an unusually long cold spell drew down winter stocks faster than expected, while rising seasonal arisings still remain too low to rebuild inventories. Although arisings have since increased seasonally, they remain generally too low to allow for meaningful stock rebuilding.



Transport costs have risen sharply – by around 6–10% - due to higher diesel prices, adding pressure across the supply chain. Meanwhile, electricity prices have increased amid the war in Iran and stabilised around the level of the EEG feed-in tariff, keeping waste wood prices broadly aligned with power plant revenues. Overall, market participants expect relatively stable conditions in the coming months, supported in part by planned plant maintenance stoppages that should ease demand pressure.

Read on for the latest news.



## We are excited to share our very own Bioeconomy Lexicon!

Through our many years of experience, we have frequently encountered challenges brought about by inconsistent or unclear terminology. To help address this moving forward and to create strong outcomes within our work, we decided to create a comprehensive Bioeconomy Lexicon 📖

We've been working on this project for over a year - it includes over 200 widely used terms, clearly defining each of them and providing advice regarding their use. This is also an interactive tool, allowing users to suggest terms they would like to see included.

Our Lexicon is completely free to use - come and have a look [here](#) 😊



## Policy

### Funding Notice: U.S. Department of Energy Announces \$12 Million to Advance Biorefinery Technologies for Biofuels and Biochemicals

The U.S. Department of Energy (DOE) Bioenergy Technologies Office (BETO) announced \$12 million in funding to support the advancement of integrated biorefinery technologies to reduce emissions for the transportation and industrial sector. This funding opportunity announcement (FOA), FY24 Scale-Up of Integrated Biorefineries, will help reduce technology uncertainty and demonstrate bioenergy technologies that produce low carbon intensity biofuels and biochemicals, particularly sustainable aviation fuels (SAFs), using biomass and waste resources.

The U.S. transportation sector, including aviation, marine, rail, off-road, and heavy-duty vehicles, depends heavily on petroleum, which in 2022 supplied over 90% of its energy needs and accounted for 37% of transportation energy use. Additionally, the U.S. chemicals industry self-reported 186 million metric tons of CO<sub>2</sub> emissions in 2022. Therefore, the use of renewable carbon feedstocks, such as biomass and organic waste, provides an opportunity to not only reduce our carbon footprint but also forge a path to conversion strategies that require less energy.

[Click here for more information](#)

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## Research & Development

### AFYREN receives €3 million grant from the Grand Est Region through the European Fair Transition Fund



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AFYREN, a greentech company offering manufacturers biobased, low-carbon ingredients through a unique fermentation technology based on a circular model, receives a €3 million grant from the Grand Est Region through the European Fair Transition Fund. Additionally, AFYREN reaches the milestones required to obtain the final payment of the grant awarded under Bpifrance's France Relance call for projects.

The green transition extends beyond environmental goals to support models that reconcile economic performance, sustainable social impact, and resilience to external shocks. To address these challenges, the European Union has established the Fair Transition Fund in the most strategic regions and sectors. In order to meet the actual needs of local territories, Europe has entrusted management of these funds to selected regions. In this context, AFYREN is proud to have been selected by the Grand Est Region to benefit from this support, which will contribute to financing performance investments at the AFYREN NEOXY plant, now 100% owned by AFYREN.

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## Markets

### European biofuels surge as demand rises and veg oils prices rally



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Strong demand pushed European biofuel feedstock prices further up during the week ending Thursday March 19, with sources reporting used cooking oil (UCO) trading at a €20 per tonne premium to last week's levels, while category 3 animal fat prices moved up by €5-20 per tonne depending on the grade

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### Ultra Yorkshire makes first transatlantic voyage delivering biomass pellets to support UK energy security

The M.V. Ultra Yorkshire, a Handymax carrier, which was launched and named as part of Drax Power Station's 50<sup>th</sup> anniversary celebrations, docked for the first time in the UK.

The vessel is operated by Ultrabulk, a leading global dry bulk business and a long-term partner of Drax Group.

It arrived at the Port of Liverpool in recent weeks, completing its first transatlantic voyage, with a cargo of over 29,000 tonnes of biomass pellets for rail transport to Drax Power Station.

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## Wood & Crops

### Funding Selections: Regional Resource Hubs for Purpose-Grown Energy Crops

The U.S. Department of Energy (DOE) Bioenergy Technologies Office (BETO) announced \$52 million in funding for six university and industry projects to advance the production of low carbon intensity, purpose-grown energy crops critical to accelerating a renewable energy bioeconomy. The projects will expand a domestic supply chain of alternative carbon sources essential to biofuels and bioproducts production that can lower net emissions in the transportation and industrial sectors, as well as innovate and grow the U.S. agricultural industry.

Funding in this research supports DOE's long-term objective to develop technologies that mobilize renewable carbon resources to increase the production of bioenergy and renewable chemicals and materials. Prime funding recipients are located in six states with proposed field and pond experiments located across 18 different states.

These selected projects will focus on the advancement of low carbon intensity, purpose-grown energy crops across varied agronomic and geographic landscapes through the generation of data and research findings.

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### Ukraine prepares new rules to track soybean and rapeseed export origins

Ukraine's Ministry of Economy is developing new approaches to monitoring the origin of soybeans and rapeseed aimed at making exports more transparent, predictable, and aligned with data from the State Agrarian Register (DAR).

The relevant draft resolution has already been prepared and submitted for approval to central executive authorities, according to the Ministry's press service.

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## Indonesian pilot project looking to develop Pongamia as a biofuel feedstock



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Mitsui O.S.K. Lines, Ltd., PT Hasnur Group Indonesia, Hanwa Co., Ltd., NH Foods Ltd., Four Pride Management Pte. Ltd., and SPIL Ventures (their respective presidents and headquarters are listed below) today announced the formation of a consortium to launch a pilot cultivation project for Pongamia, a plant known for its oil-bearing seeds, in Tapin Regency, South Kalimantan Province, Indonesia. The consortium will use approximately 10 hectares at the site of a former coal mine to conduct technical verification over a five-year period from 2026 to 2031, including the cultivation of Pongamia, the collection of growth data, and the assessment of its potential both as a biofuel feedstock and as a source of carbon credits.

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## Ukraine to add sunflower, rapeseed area

Ukraine will expand sunflower and rapeseed planted areas at the expense of soybeans for marketing year 2026-27, but the overall area for oilseeds production will remain stable with favorable weather this spring, according to a report from the Foreign Agricultural Service (FAS) of the US Department of Agriculture.

In its annual oilseeds report released April 8, the FAS projected sunflower production at 12.8 million tonnes, a 16% increase year on year, while rapeseed rises 25% to 4 million tonnes, and soybeans fall 5% to 4.7 million tonnes.

[Click here for more information](#)

## Segregate waste wood at source to maximise recycling potential, says WRA

Waste producers are being urged to segregate their waste wood at source to ensure that as much as possible is recycled.

The Wood Recyclers' Association (WRA) is encouraging those who produce or receive waste wood – such as waste management companies and local authorities – to remove contaminants and ensure material meets the specifications of their destination end markets.

In particular, the WRA is advising operators who would like their wood to be recycled, that they must remove MDF. This is important because the panel board sector – the UK's largest recycler of waste wood – cannot accept MDF, as it causes processing problems and can lead to machinery blockages.

[Click here for more information](#)

## Drax: US pellet business performs well in Q1

Drax continues to expect 2026 full year Adj. EBITDA to be in line with consensus estimates. Full year expectations remain subject to continued good operational performance.

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## Biorefinery



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### Saipem, contract with Eni for the new Priolo biorefinery

Saipem has signed with Eni Industrial Evolution the main contract for the realization of the new Priolo biorefinery in Sicily, a project announced on February 3 by Eni and Q8 Italia.

The contract, which has a total value of approximately 700 million euro upon completion, with works due to be finished by the end of 2028, includes Engineering, Procurement and Construction activities.

The contract, which strengthens the collaboration launched between Eni and Saipem for the development of biorefining in Italy with the agreement signed in 2023 and subsequently extended in 2025, covers detailed engineering, procurement of materials and construction of the main units of the new Priolo biorefinery.

The new plant will have a capacity of 500 thousand tonnes per year, offering high operational flexibility to produce SAF-biojet fuel and HVO-diesel.

With the award of this new contract, Saipem confirms its leadership in the construction of biorefineries, offering distinctive technological, engineering and construction expertise, gained through industrial transformation and conversion projects in support of the sector's sustainable development and the energy transition.

[Click here for more information](#)

## Waste

### England's residual waste drops marginally in 2024 to 58.4m tonnes

Residual waste in England has fallen to 58.4 million tonnes, according to the latest estimates published by Defra.

2024 saw a slight decrease of 0.5% from 58.7 million tonnes in 2023. On a per capita basis, this equates to 996 kilograms per person, down 1.6% year-on-year.

According to the statistics, between 2019 and 2024, residual waste sent to landfill fell by 16.8%, declining from 45.5 million tonnes to 37.8 million tonnes.

Over the same period, the amount of residual waste treated via incineration, including Energy from Waste (EfW), rose by 16.9%, increasing from 16.1 million tonnes to 18.9 million tonnes.

[Click here for more information](#)

### No supply pressure evident on Germany's waste wood market

After an unexpectedly long cold spell in the first few months of the year, winter stocks of waste wood in Germany have, with a few exceptions, been emptied, sometimes much more quickly than originally planned. While arisings have now increased due to the time of year, they are still generally too low to allow for inventory building.

There is broad agreement that transport costs have soared as a result of the steep rise in diesel prices. Waste wood processors and biomass power plant operators put this effect at around 6 to 10 per cent, depending on the transport distance.

Electricity prices have risen in Germany in recent months as a result of the war in Iran and have broadly stabilised at about the level of the feed-in tariff set under Germany's Renewable Energy Sources Act (EEG).

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## Energy from Waste

### EfW tonnages rise 1.6% in 2025 as capacity outpaces demand

In 2025, residual waste inputs to the UK's 64 operational Energy from Waste (EfW) facilities increased to 17.1 million tonnes, with growth slowing to 1.6%.

The statistics come from the UK Energy from Waste Statistics 2025 report, produced by Refynix and continuing a series previously published by Tolvik Consulting, which focused on "facilities in the UK primarily designed for the combustion of Residual Waste".

A total of 73 EfW plants were either operational or under construction at the end of December 2025, two fewer than the previous year.

For facilities fully operational throughout the year, inputs equated to 83.7% of permitted capacity, down from 88.6% in 2024, reflecting capacity increases not yet matched by feedstock availability.

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## Events

**12th - 14th May 2026**

**BIOINNOVASIA 2026**

Tokyo, Japan

[Click here for more information](#)

**1st - 3rd June 2026**

**International Conference on  
Renewable Resources &  
Biorefineries**

Leuven, Belgium

[Click here for more information](#)

**19th - 22th June 2026**

**34th European Biomass  
Conference and Exhibition 2026**

The Hague, Netherlands

[Click here for more information](#)

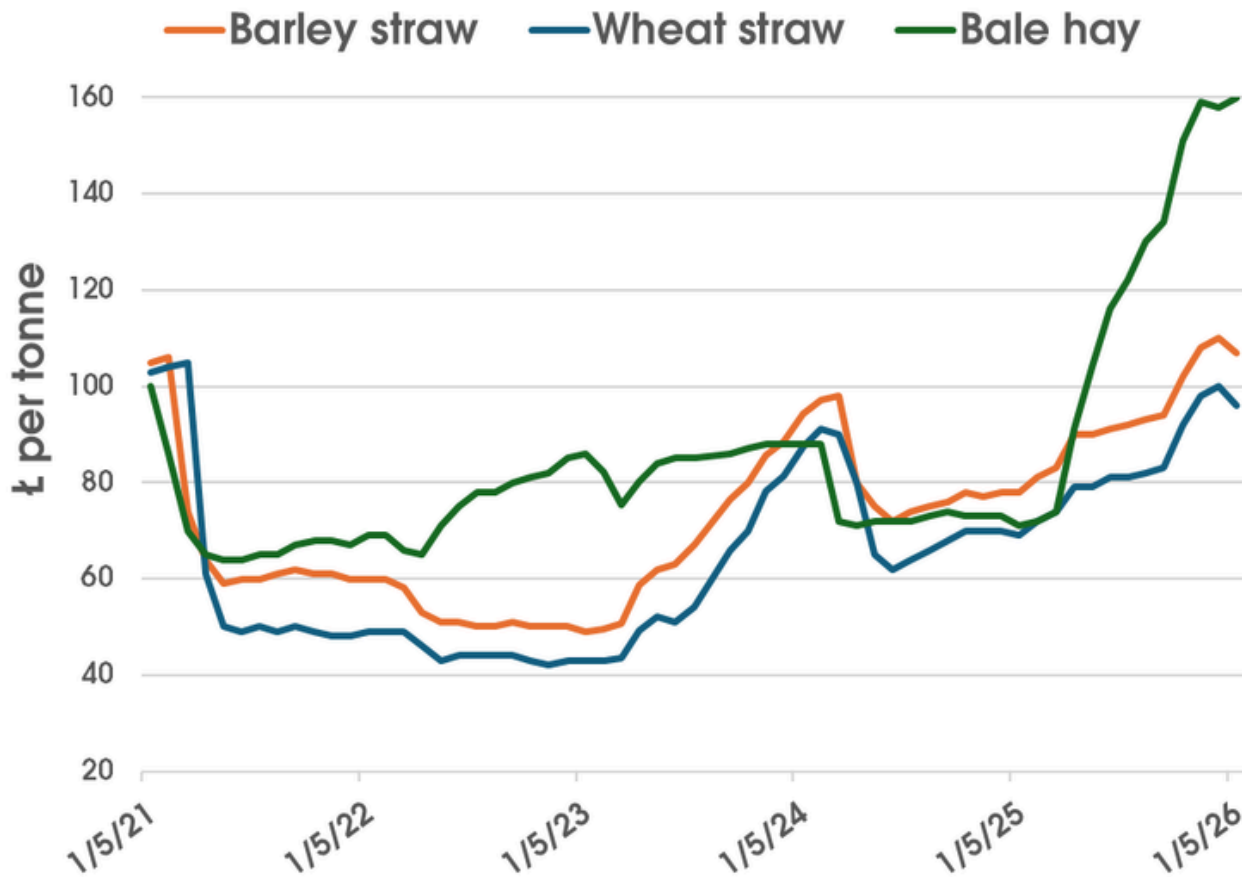
## Feedstock prices

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
<b>High</b>	0.44	203.00	188.00	222.00	488.00
<b>Low</b>	0.35	184.00	165.00	143.00	163.00
<b>Average</b>	0.39	192.33	178.82	159.83	446.42

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 May 2026.



Source: British Hay and Straw Merchants' Association, Defra

## Credits and Disclaimer

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

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