

## **UPM's ValChem project receives significant EU funding to demonstrate wood to chemicals value chain**

(UPM, Helsinki, 11 June 2015, 10:00 EET) – UPM's ValChem project has received EUR 13.1 million funding from the European Union. The project will be done in cooperation with Sekab, METabolic EXplorer and Technische Universität Darmstadt. The total budget of the project is around EUR 18.5 million.

ValChem (Value added chemical building blocks and lignin from wood) is an ambitious project combining the competences of forest, chemical and bio-technology industries to realise a sustainable and innovative integrated process from wood to end products. The aim of the project is to demonstrate the technical and economic viability of an integrated biochemicals process covering the whole value chain from wood raw material to a selected platform chemical and lignin based performance chemicals.

“The ValChem project has a great potential to become another alternative value chain for utilising the European forest resources. Each part of the process – wood-to-sugars for chemical production, production of bio-MPG (mono propylene glycol) from sugars, and production of lignin based performance chemicals – show progress well beyond the state-of-art”, says Dirk Carrez, Executive Director of Bio-based Industries Consortium.

ValChem utilises the existing demonstration plants of the project partners to produce wood-based chemicals that are competitive with fossil alternatives in terms of quality and production costs. The wood raw material will be used as efficiently as possible and only sustainably sourced PEFC and FSC certified wood will be used.

SEKAB's CelluAPP® technology for wood to sugars and to crude lignin conversion process has been verified in demonstration scale for ethanol production, but in this project it will be combined with METabolic EXplorer's sugar to MPG process. The largest markets for MPG are unsaturated polyester resins, paints and coatings, industrial use and personal care. High value added lignin applications will be developed jointly by UPM and Technische Universität Darmstadt. Their end-uses are for example in the field of lignin-based reactive resins and composites.

The ValChem project is part of the BBI Joint Undertaking: a new EUR 3.7 billion partnership between the EU and the Bio-based Industries Consortium (BIC) aiming at increasing investment in the development of a sustainable bio-based industry sector in Europe. UPM is one of the founding members of BIC.

### **For further information, please contact:**

Juuso Konttinen, Vice President, UPM Biochemicals, Tel. +358 (0)40 531 7405,  
[juuso.konttinen@upm.com](mailto:juuso.konttinen@upm.com)

Thore Lindgren, Executive Vice President, Head of BioRefinery Technology Business Area, Sekab, Tel. +46 (0)660 751 86, [thore.lindgren@sekab.com](mailto:thore.lindgren@sekab.com)

Manuela Falempin, Business Development Manager, METabolic EXplorer, Tel. +33 (0)473 334 300, [mfalempin@metabolic-explorer.com](mailto:mfalempin@metabolic-explorer.com)

Prof. Dr. Markus Biesalski, Technische Universität Darmstadt, Tel. +49 (0) 615 116 751 40,  
[biesalski@tu-darmstadt.de](mailto:biesalski@tu-darmstadt.de)

\*\*\*\*\*

UPM, Media Desk  
tel. +358 (0)40 588 3284  
Mon–Fri from 9:00–16:00  
media@upm.com

[www.twitter.com/UPM\\_News](http://www.twitter.com/UPM_News)  
[www.facebook.com/UPMGlobal](http://www.facebook.com/UPMGlobal)  
[www.linkedin.com/company/upm-kymmene](http://www.linkedin.com/company/upm-kymmene)

## **UPM**

UPM leads the reformation of the bio and forest industries. We are building a sustainable future in six business areas: UPM Biorefining, UPM Energy, UPM Raflatac, UPM Paper Asia, UPM Paper Europe and North America and UPM Plywood. Our products are made of renewable raw materials and are recyclable. We serve a global base of customers. We employ approximately 20,000 people and our annual sales are approximately EUR 10 billion. UPM's shares are listed on NASDAQ OMX Helsinki. UPM – The Biofore Company –  
[www.upm.com](http://www.upm.com)

## **Sekab**

SEKAB is one of Europe's leading producers of ethanol. We produce and distribute bioethanol fuel and green chemical products. We are further dedicated to developing the next generation of cellulose-based ethanol processing. SEKAB is currently conducting a long-term industrial initiative in second generation ethanol, in order to develop an industrial structure for delivering expertise and equipment for the production of cellulose-based ethanol. <http://www.sekab.com/>

## **METabolic EXplorer**

METabolic EXplorer is a pioneer in biological chemistry and aims to become an innovation leader in the bioeconomy. METabolic EXplorer provides competitive bio based industrial solutions to make chemicals from renewable feedstock, thus creating value for its partners and stakeholders. METabolic EXplorer, based in Clermont-Ferrand, France, is listed on NYSE Euronext in Paris (Compartment C, METEX) and is part of the CAC Small index and EnterNext Tech40 label. [www.metabolic-explorer.com](http://www.metabolic-explorer.com)

## **Technische Universität Darmstadt**

The Technische Universität (TU) Darmstadt is one of Germany's leading technical universities. Its around 300 professors, 4,230 scientific and administrative employees and around 26,000 students devote their talents and best efforts to the significant future research fields energy, mobility, communications and information technologies, housing and living conditions. [www.tu-darmstadt.de](http://www.tu-darmstadt.de)

## **BBI**

BBI stands for Bio-Based Industries Joint Undertaking. It is a €3.7 billion Public-Private Partnership (PPP) between the EU and the Bio-based Industries Consortium (BIC). BIC, the industrial partner in the PPP, hosts a unique mix of sectors including agriculture, agro-food, technology providers, forest-based sector, chemicals and energy. It is an association that was specifically established in 2012 to collectively represent the private sector in the BBI. To

date, BIC has 70 full industrial members (large, SMEs, clusters) and over 100 associate members (RTOs, universities, associations, technology platforms). <http://bbi-europe.eu/>