

European body sees reasonable chance for algae power

Mon Jun 15, 2009 12:03pm EDT

By [Svetlana Kovalyova](#)

MILAN (Reuters) – Industrial-scale production of bioenergy from algae, or seaweed, has a reasonable chance of occurring but still needs fundamental research, the top official at a newly created bioenergy body said on Wednesday.

Companies around the world are racing to find economical ways to make biofuels from algae, one of the planet's oldest life forms. Such fuels are considered to be net carbon neutral because the algae absorbs greenhouse gases when they grow.

Research into algae-made biofuels has been active in the last three to five years and the big question is when industrial-scale output will take place, said Raffaello Garofalo, executive director of the European Algae Biomass Association (EABA).

"What emerged at least from this first day is that there can be a reasonable possibility that this happens," Garofalo told Reuters in a telephone interview from Florence, Italy, where the EABA was officially launched on Wednesday.

Some association members had said industrial production would not take place in the short or medium term but has a "very good potential" in the longer term, he said.

Referring to a timeframe sometimes mentioned in the industry, of 10 to 15 years, Garofalo said: "Of course, this is indicative, because the reality of the thing is that there is still fundamental research (to do) on this.

"There is a reasonable perspective to achieve it. But where there is research it means there are still challenges and problems that need solutions to be found."

The new association unites 54 members representing science and industry and aims to be the platform for creating a full algae-based production chain, from biofuels to animal feed and nutrients, Garofalo said.

Making biodiesel from algae costs at least 10 to 30 times more than making traditional biofuels at present, he said.

But extracting value from by-products, which can be used in animal feed or pharmaceutical industries, would help bring down overall price and make algae fuel competitive with traditional fuels faster, he said, adding that he saw a competitive price level at about \$500 to \$550 per tonne of biodiesel.

Garofalo brushed off concerns that lower oil prices can push development of biofuels, including those made from algae, to the back burner because the world needs new technologies to reduce carbon emissions and fight climate change.

"Algae have a potential to provide answers in this respect: There is no competition food versus energy. There is no impact on land use and algae absorb CO2 as they grow," he said.

Pilot projects to make energy from algae have been operating in Portugal, Italy and other countries, Garofalo said but warned against expectations of quick technological breakthrough or start of industrial production.

"One of the risks of algae business is the risk of over-enthusiastic announcements ... The potential is enormous but the challenges remain very important too," he said.

Garofalo, also secretary general of the European Biodiesel Board, said Europe's biodiesel output in 2008 was slightly higher than in 2007, but declined to give precise figure.

The European Union's biodiesel output came in at 5.7 million tonnes in 2007, up 17 percent from 2006, according to EBB data on its website.

(Editing by Anthony Barker)