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China invests in Swedish bioenergy

State Grid Corporation, the largest energy company in China and the world, is planning a large investment in Swedish bioenergy as part of a major expansion in the field.

Through its National Bioenergy subsidiary, State Grid Corporation is linking up with Swedish players in the bioenergy field in three large projects.

The biggest initiative is a bioenergy complex in Härjedalen, northern Sweden, which will produce electricity and heating at a plant combining pellets production and ethanol manufacture.

The tie-up will also include staffing and operations of power plants with Swedish partner Ena Kraft in Enköping and production of forest fuels in partnership with Sveaskog, the state-run Swedish forest company.

Sweden is an international leader in bioenergy, with more than 25 percent of the country's energy demand being met from biomass sources.

The country is also home to Europe's largest fuel pellet market, both in terms of production and consumption.

At the same time as China is investing in Sweden, Swedish energy companies will help to develop bioenergy in China.

"It's a win-win situation, but Sweden wins the most," said Lui Zhen Ya, president of State Grid Corporation, at the recent World Bioenergy 2006 conference in Jönköping.

The tie-up was facilitated by the Swedish Bioenergy Association (Svebio).

Sources: Elmia, Environmental Expert.com and www.isa.se