5 questions for Steven Fabijanski

BioFuelNet discussed with Dr. Steven Fabijanski, President and CEO of Agrisoma, a successful aviation biofuels company out of Gatineau, Quebec. We asked him for insight into the perspectives for biomass as a commodity in the context of aviation biofuels.



Agrisoma has been widely cited as an aviation biofuels success story. How do you see this sector materializing globally apart from your success?

On a global basis, organizations such as the International Civil Aviation Organization, frame commitments from airlines to reduce their carbon footprint. They will become carbon neutral from 2021 and will emit 50% less carbon by 2050.

Sustainable biojet fuels are the cornerstone of airlines' decarbonization commitment

The majority of their carbon emissions come from the actual burning of fossil fuels. On a treaty basis, the global aviation industry has recognized the need to become more carbon efficient and count on sustainable biojet fuels as the cornerstone of that commitment. We therefore see the growth of sustainable fuels for aviation as a key market for us and for the global biofuels industry.

You have successfully commoditized biomass, something that our BioMass Canada cluster proposal aims to broaden. How do you see this emerging?

It's essential that those developing the carbon for these alternative fuels make it a good fit with the existing infrastructure for agriculture. The energy industry is already excellent at organizing value chains and delivering large volumes of products at the lowest cost. This is very similar to what agriculture does for many of the commodity crops.



Good biomass crops borrow from successful agriculture and energy industry practices Biomass crops need to follow the same rule: large scale, sustainable and secure production that follows a well-travelled path from field to end use, in this case a biofuel. Successful biomass crops being used as renewable carbon will mimic the patterns for current commodities.

Agrisoma has become a global player, even mentioned in <u>this week's</u> <u>issue of The Economist</u>. What are the challenges to make biofuels a mature market in Canada?



The challenges probably lie in 3 areas:

- 1) **Policy.** Aside from the USA, in most markets the policies do neither reward nor penalize those developing renewable products. Society wants them, but we need the right policies. In Canada, the Clean Fuel Standard is coming, but slowly, as are other policies that should encourage the growth of the industry.
- 2) **Transformation.** Canada has traditionally been a supplier of raw material. We should not only use these resources but should also become more involved in the value chain, going all the way down to finished, high value products.
- 3) **Vision.** We need vision, something that is unique, and we can lead. We are getting there, but we need an action plan. Yes, there are risks, but there are major rewards for early movers.

Is investment a challenge in Canada?

It is a challenge around the world. In Canada, investors have looked at more traditional returns, or piggybacked on other sectors, like IT. Canadian investors should first look closely in their backyard to find winners. The Quebec-based funding organizations analyzed carefully our value proposal and it is partly thanks to their support that we were successful.

Did it take longer than you wanted?

I've been in agriculture my whole career, parts of it go fast, others go slow. Agriculture is about selling to the next generation, so that farmers' sons and daughters have something to grow in 20 years. This investment philosophy is different from developing an app that will not be remembered in 3 years. It may be less spectacular on short-term returns but we are here for the long run.

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