

Petrol PLAZA

Neste: The Finnish company bringing renewable diesel to the world

With over 1,000 gas stations in the Baltic region Neste is a leading oil refiner and fuel marketer. The Finnish company also happens to be the largest producer of renewable diesel in the world. We spoke to Panu Kopra, Executive Vice President, Marketing & Services, to learn more about their transition from oil company to renewable fuel producer.



Panu Kopra | © Neste

No oil company in the world better represents the industry's transition from supplier of crude oil-based liquid fuels to provider of renewable fuels for vehicles than Finland's Neste. The 72-year-old Finnish refiner and retailer started a process over 10 years ago to become the leading figure in the renewable fuels revolution. It is now the largest producer of renewable diesel in the world and was recently named the world's third most sustainable corporation in Corporate Knights' Global 100 list.

In the process of providing clean fuels for society, Neste has identified renewable diesel as its weapon of choice. In January 2017, the first Neste station started pumping MY Renewable Diesel – a diesel

sourced from vegetable oil and waste animal fats that reduces greenhouse emissions by up to 90%, according to the company. The fuel has a high cetane number and more power than a traditional biodiesel.

“We welcome all solutions that help tackle climate change in the transport sector. We ourselves focus on renewable diesel. We have analysed customer behaviour (i.e. price sensitivity) and the reaction from our B2B customers. Neste now offers Neste MY Renewable Diesel in 70 stations in Finland. It is also available in all the capitals of the Baltic States - Riga, Tallinn and Vilnius,” explains Panu Kopra, Executive Vice President, Marketing & Services.



Neste’s renewable fuel is available to all types of customers, from light to heavy-duty vehicles, fleets and consumers. It is suitable for all diesel cars and requires no modifications to the engine. They currently have a couple of customers with large truck and bus fleets using the fuel.

Regarding raw materials, Neste believes the European Union’s RED II directive act is in the right direction. However, finding renewable raw materials could become harder in the future as more companies get involved.

“Renewable fuels are a key part of the solution to reduce greenhouse emissions in the transport system so we will probably see more competition and it is likely that the demand for sustainable renewable raw materials will grow,” says Kopra.

Neste will continue to push through with the production of renewable diesel. In fact, they are looking to increase its production capacity by investing €1.4 billion in their Singapore refinery. This will provide an extra 1.3 million tonnes per annum of fuel. In addition to their current capacity it will raise

levels to 4.5 million tonnes per annum by 2022.



Porvoo refinery | © Neste

More innovations in the horizon

In addition to a focus on renewable fuels, Neste has also been pushing automation, digitalization and new payment methods across its fuelling network. The biggest innovation, however, involves a robotic fuelling arm that connects dispenser and car. Currently in a testing phase, the service would allow customers to not leave the comfort of their vehicle, or grab a coffee while the robot takes care of fuelling.

“Robotic fuelling makes a lot of sense, for example, for people who have physical disabilities. In the future it will be key when we have autonomous vehicles on the road. It will really change the fuelling experience. The same way mobile payment makes everything much easier, we see that the next big steps are face recognition and robotic fuelling,” adds Kopra.

With a clear position as the leader in the Finnish fuelling market (one third of fuels are distributed through Neste stations), the company will continue to consolidate its position in other Baltic markets with a special focus in Lithuania, where it sees expansion opportunities. The company has recently opened offices in China and Australia while it already operates a number of sites in the U.S. With renewable diesel as its insignia, the Finnish retailer will look to bring its fuel to the rest of the world.