

## North Karelia facts

- 166 000 inhabitants (< 8 inhabitants / km<sup>2</sup>)
- 13 municipalities
- Regional capital: City of Joensuu (74 000)
  - Distance to Petrozavodsk 368 km
  - Flight-time to Helsinki or Tallinn: 1 hour
- Size of the region 21 585 km<sup>2</sup> (lakes 3 803 km<sup>2</sup>)
- The easternmost region of the continental EU
- 300 km border with Russia
- North to south 240 km
- East to west 153 km
- Temperatures from +37C to -42C /





## CLIMATE AND ENERGY PROGRAMME OF NORTH KARELIA 2020

Locally – Renewably – Efficiently





## Europe 2020 strategy



#### 1) Smart growth

improving the EU's performance in education, research & innovation and digital society

#### 2) Sustainable growth

building a competitive low-carbon economy that makes efficient and sustainable use of resources

#### 3) Inclusive growth

raising employment rate – more and better jobs

#### → What is our contribution?



## North Karelians have a small carbon footprint

Greenhouse gas inventory in North Karelia:

Total 1,7 million tonnes CO2 equivalent in 1990
Total 1,6 million tonnes CO2 equivalent in 2007

Emissions per capita in 2007:

North Karelia: 9,5 tonnes CO2 equivalent per capita
Finland: 14,8 tonnes CO2 equivalent per capita





# We count on knowledge based development in forestry and wood sector

- European Forest Institute, EFI
- Finnish Forest Research Institute, Metla
- University of Eastern Finland
- Karelia University of Applied Sciences
- Carelian Science Park
- North Karelia Collages (Joensuu, Valtimo …)







#### ... as well as on technology driven development



COUTOKUMMUN METALLI OY















### Sustainable large-scale industries – back-bone of the regional economy <u>Bio Economy in the future</u>?





## Strategic path for success

In the past:

#### More with less

- productivity
- cost efficiency

In the future:

## Different things, in a different way

- ideas
- innovation





## We need new innovations

#### **Products**

 to use forests and trees for new purposes & products

#### **Processes**

 to develop the existing ways to use forests and trees

#### **Social innovations**

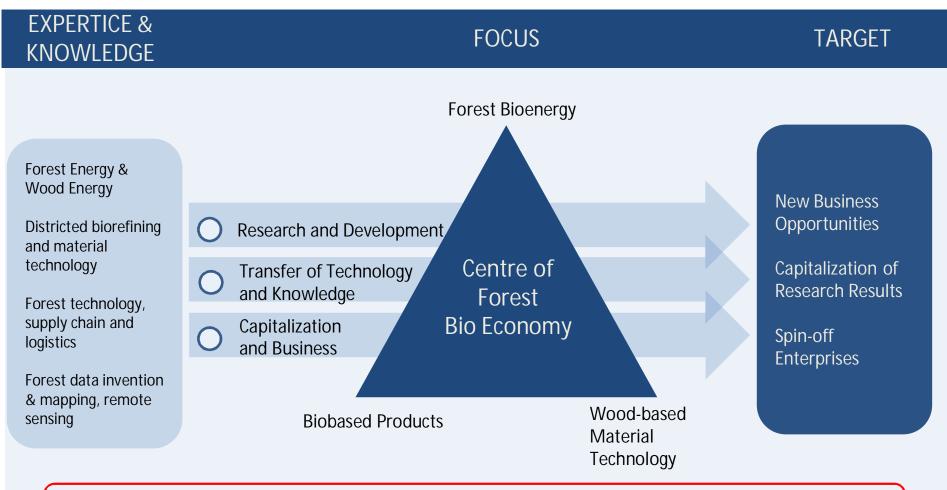
- e.g. new models for cooperation networks







#### **CENTRE OF FOREST BIO ECONOMY / NORTH KARELIA**



North Karelia Forest Bio Economy: 6000 workplaces, 600 forest experts (research, education, administration), about 1,7 billion turnover, over 500 companies



## We aim at increasing the use of wood in construction



#### **Metla Building**

Joensuu Arena



#### ... as well as the use of wood for energy















# North Karelia is a forerunner in the use of renewables

#### Renewables cover 64 % of all energy consumption

(including heat, power, private households and traffic)

- compared to about 31 % in Finland, and about 10 % in the EU
- The renewable energy cluster employs about 1200 people
- More than 300 companies working on this sector
- ◆ Turnover about 200 M€ / year



#### VISION:

## Fossil Oil Free Heating 2020 and Fossil Oil Free Region 2030





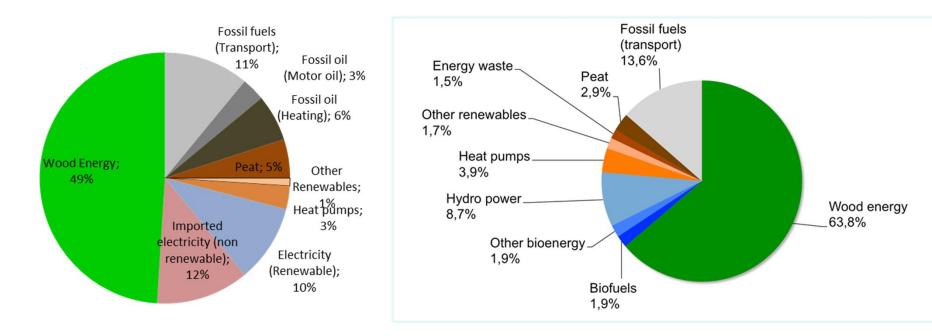


#### **ENERGY CONSUMPTION IN NORTH KARELIA**

<u>2010</u>

<u>2020</u>

#### 63% SHARE OF RENEWABLE ENERGY $\rightarrow$ 82 % SHARE OF RENEWABLE ENERGY



## Fossil Oil Free Region in 2030

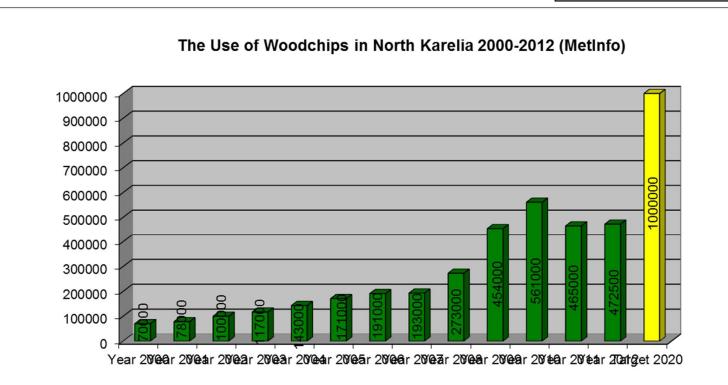


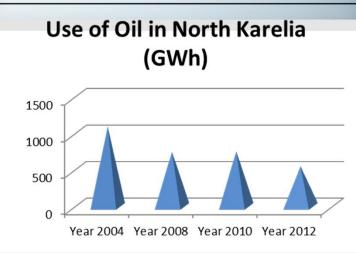
It means more

- + Wood energy (woodchips, pellets, pyrolyse oil)
- + Solar energy
- + Wind energy
- + Other renewables

And less or nothing

- Fossil Oil (heating, transportation)
- Imported electricity







## **Fossil Oil Free Region in 2030**

#### Invests to bio-oil production (wood energy based bio-oil)

Fortum pyrolysis oil plant in Joensuu: production to be started in September 2013

A model example of an investment (30 M€) needed on the way towards fossil oil free region!

Capacity 50 M litres / year about 250 000 m3 wood chips



## **Fossil Oil Free Region in 2030:**

## Nurmes Biochar & Biocoal factory (plan)

- Nurmes -unit is going to be the first industrial scale unit in Finland, representing 3. generation in development (plans to be built during the year 2013)
- The first demo unit is scheduled to produce about 5000 tons' biochar and ca. 4700 ton's wood oil's
- The planning process of the larger unit has also started. The expected start of this 100 000 ton's biochar and 94 000 ton's oil factory is scheduled for later part of 2015, max about 550 000 m3 of round wood
- A huge demand increase for biochar is expected in Finland and in Europe.
- The quality and energy content of the FSO-biochar tested so far have turned out to be high, giving a competitive edge and bringing a large variety of potential customers.





## **Fossil Oil Free Region in 2030**

#### Invests to bio-oil production (wood energy based bio-oil)

Green Fuel Nordic Ltd INVESTMENT PLAN in Lieksa "Kevätniemi Bio-Oil Factory" Pyrolysis oil factory

A model example of an investment (50 -100 M€) needed on the way towards fossil oil free region!

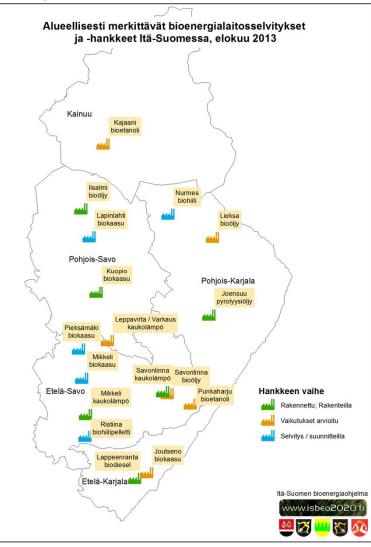
Capacity 90 – 180 M litres / year Need of 350 000 – 700 000 m3 of wood biomas



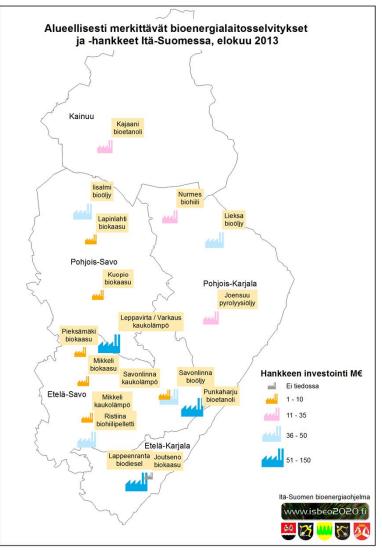


#### **Fossil Oil Free Region in 2030**

#### **Stage of the Project**

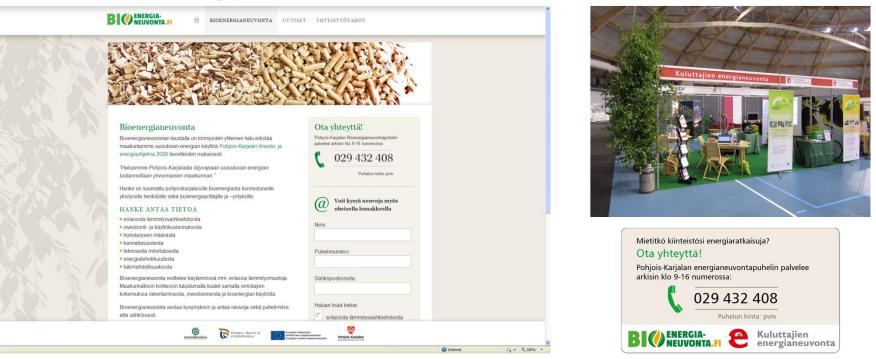


#### Investment level M€





### Fossil Oil Free Region in 2013: Bioenergy advice service for consumers!

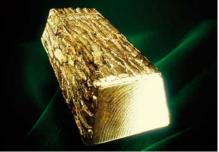


Free Regional BioEnergy Advice Service for Consumers via Internet and telephone (target to replace fossil oil boilers by renewable energy solutions)

Organised by the Finnish Forest Centre - North Karelia, Regional Council of North Karelia and Centre for Economic Development, Transport and the Environment

## <u>Conclusion:</u> The role of forest is essential in aiming at smart, sustainable and inclusive growth

• Forests have increasing and diversified value in meeting the objectives stated in the international commitments.



- Forests provide *solutions* for the challenges caused by climate change and increasing demand of energy.
- At the same, forests provide *opportunities* for new entrepreneurship and economic development.







Pasi Pitkänen Regional Council of North Karelia

Joensuu 29th of October 2013