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China's Shenergy signs a MoU with BASF to accelerate green transformation with biomethane

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BASF signed a Memorandum of Understanding (MoU) with Shenergy Group (â??Shenergyâ?•) through its subsidiaries Shanghai Gas Co., Ltd (â??Shanghai Gasâ?•) and Shanghai Shenji Environmental Technology Co., Ltd. (â??Shenjiâ?•). This strategic partnership aims to foster long-term collaboration among the three parties in the commercialization and international certification of biomethane, promoting the development of sustainable solutions and accelerating circular economy.

This collaboration signifies the inauguration of BASF's ISCC+ certified biomethane partnership through gas grid in China, highlighting the high-value utilization of bio-based raw materials in the chemical industry. It also establishes a strong groundwork for BASFâ??s future advancements in sustainable and innovative solutions.

Shanghai Gas, a subsidiary of Shenergy, serves as a comprehensive natural gas industry platform and the urban gas provider for Shanghai. Shenji, another subsidiary company of Shenergy Environment Technology Co.,Ltd. (â??Shenergy Environmentâ?•), specializes in the developing of waste resource utilization. According to the MoU, Shenji will proactively undertake biomethane purification projects at livestock farms and waste disposal facilities. Meanwhile, based on the certification of biomethane projects, Shenji will work together with BASF to carry out pilot projects on the application scenarios of biomethane mass balance, and supply BASF with ISCC+ certified biomethane. The purified biomethane will be delivered through the gas grid by Shanghai Gas. BASF then incorporates the biomethane into its final products, thus reducing the products' carbon footprint (PCF).

â??â??Biomethane, as a green, renewable, and clean energy source, as well as a bio-based raw material, holds immense potential in replacing fossil resources. Today, BASF and Shenergy enter into a strategic partnership, which marks a breakthrough for both parties in exploring the commercial application of bio-based raw materials and promoting sustainable development. It will enable us to launch more diversified and lower carbon footprint products, thereby supporting our customers in their green transformation.â?• said Dr. Jeffrey Lou, President and Chairman of BASF Greater China.

Huang Dinan, Secretary of the Party Committee and Chairman of Shenergy Group, stated, â??The strategic cooperation between BASF and Shenergy not only represents an important step for both parties in the green transformation process but also lays a solid foundation for deep collaboration in other fields. We hope to engage in profound exchanges with BASF in areas such as global perspectives, advanced technologies, and excellent management experiences, and work together to promote the green and low-carbon transformation of energy and chemicals."