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Sunpine acquisition bolsters VAROPreem's advanced biofuels strategy across Europe

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The acquisition secures long-term access to one of Europe's largest renewable feedstock streams for HVO and sustainable aviation fuel (SAF), reinforcing supply chain resilience as demand for advanced biofuels accelerates under the EU's climate regulations

VAROPreem has completed the acquisition of Sunpine, the world's largest Raw Tall Oil (RTO) biorefinery, in a strategic move that strengthens its vertically integrated renewable fuels business and enhances Europe's supply of advanced biofuel feedstocks. The transaction gives the energy company full ownership of a critical upstream asset at a time when demand for sustainable aviation fuel (SAF) and hydrotreated vegetable oil (HVO) is accelerating across the continent.

Following the acquisition, the Swedish biorefinery will operate as VAROPreem Sunpine, combining Sunpine's proprietary refining technology and nearly two decades of industrial expertise with VAROPreem's growing renewable energy portfolio. The integration is expected to improve feedstock security, optimise refining operations and reinforce the company's position in Europe's rapidly evolving low-carbon fuels market.

Located in Piteå, Sweden, the facility processes approximately 400,000 tonnes of Raw Tall Oil annually, converting forestry residues into high-quality renewable feedstocks used in the production of HVO and SAF. Certified under the International Sustainability and Carbon Certification (ISCC) framework, the feedstock delivers greenhouse gas emission reductions of up to 99.7 per cent compared with conventional fossil fuels while avoiding competition with food crops or agricultural land.

The acquisition comes as European energy markets prepare for tighter sustainability mandates under regulatory frameworks such as RED III, ReFuelEU Aviation and FuelEU Maritime, all of which are expected to drive substantial growth in demand for advanced renewable fuels. By securing direct control over a limited and traceable feedstock source, VAROPreem aims to improve long-term supply certainty while increasing operational efficiency across its refining, trading and logistics network.

Renewable feedstocks produced at the Piteå facility will continue to be processed into HVO and SAF at VAROPreem's refining assets, supporting the company's broader strategy of supplying both conventional and renewable energy solutions to transport and industrial sectors. The site's integrated sustainability model also captures surplus process heat for use in the local district heating network, further improving resource efficiency and reducing the facility's environmental footprint. The company indicated that further investments will be directed towards expanding operational flexibility and supporting future production growth as Europe's energy transition gathers pace.

Commenting on the acquisition, Dev Sanyal, Group CEO of VAROPreem, said the transaction strengthens a strategically important renewable fuels value chain while enhancing the company's ability to support Europe's decarbonisation ambitions. "Sunpine has built one of Europe's most distinctive renewable fuels businesses. This acquisition strengthens a strategic value chain and reinforces VAROPreem's position in Europe's energy transition."

David Öquist, CEO of Sunpine, said joining VAROPreem creates new opportunities to expand the reach of Sunpine's technology and build on its established industrial platform. "Joining VAROPreem opens a new chapter. Together we can build on Sunpine's strong foundations and bring our technology to a wider market." With full ownership of one of Europe's most significant renewable feedstock producers, VAROPreem is positioning itself to capture growing opportunities in advanced biofuels while strengthening the resilience, traceability and sustainability of its renewable fuels supply chain.