



Press Release

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Novozymes and Xergi agree to co-develop biogas microorganisms

The two Danish biotechnology firms Novozymes A/S and Xergi A/S have entered into an agreement that enables the two companies to collaborate on the co-development of microorganisms and environmental technologies for the optimal harvest of energy from manure for use in the production of electricity, heat, and fuels, as well as high-quality fertilizer.

This initiative stems from the Danish government's globalization strategy, to strengthen Denmark's competitive abilities. The strategy includes support for business-to-business partnerships within five focus areas as formulated by the Ministry of the Environment: giant wind turbines, biofuels, potable water, hydrogen/fuel cells and industrial biotechnology. Novozymes and Xergi participate in the last-named partnership, established by the Minister of the Environment Connie Hedegaard. Several other private and public institutes are also participating, among them the Faculty of Agricultural Sciences at Århus University, where Xergi has recently supplied a large anaerobic digestion facility in Foulum.

The Partnership for Industrial Biotechnology has chosen to focus on the area of manure management. The partners identify a set of areas with positive development potential and large export possibilities to position Denmark to become a leader in the global marketplace. Denmark already holds a global leadership position in both anaerobic digestion and enzyme & microorganism biotechnology, and together these two leading companies with the other partners will boost Danish environmental technology, benefiting renewable energy and the use of fertilizer around the planet.

Through their joint effort, Novozymes and Xergi, which is jointly owned by the holding company Schouw & Co. and Hedeselskabet, will develop microorganisms and technologies to harvest the valuable components from manure in the form of energy and nutrients. The process will, in part, optimize the yield of energy from these slurries, and increase the quality of the by-product for use as fertilizer.

While Novozymes can develop microorganisms so they optimize the processes in a biogas facility, Xergi has close contact to the market and knows how to optimize the technology where it will be installed and used. By promoting and distributing both green energy and manure management technologies globally, these two companies will strengthen Denmark's competitive advantage.

Large market possibilities

In Denmark today, we convert less than 5% of our manure to energy in the form of biogas. Of this 5%, only 50% of the energy is harvested. If all the energy stored in danish manure could be extracted, we could, according to the Danish Board of Technology, supply 25% of the energy required by the danish transport sector.

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The ambition and goal of the collaboration between Novozymes and Xergi is to increase substantially the yield of energy from manure so society can receive enhanced access to a green, sustainable source of energy that can be used for electricity, heating and the transport industry, all delivered via the existing natural gas system. And beyond conserving the planet's natural but dwindling energy resources, this biotechnology will help reduce the release of CO₂.

"We see the possibility of a new business area in manure management," says Rasmus von Gottberg, Vice President at Novozymes. "Biotechnology has the potential to create increased value in this exciting new field, where energy production is combined with an environmentally responsible process to re-use manure for fertilizer. We are looking forward to our collaboration with Xergi, where we can put our skills and abilities together to shed light on the technological and business opportunities."

Xergi's Managing Director, Frank Rosager, says: "We welcome the environment minister's partnership initiative, and are particularly delighted to have Novozymes, the world leader in development of industrial biotechnology, as our partner."

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