

Press release, 15 June 2020

Modvion Awarded Multimillion-Euro EU Grant for Wooden Wind Turbine Towers

Gothenburg-based engineering and industrial design company Modvion has been granted funding of SEK 69 million from the EU EIC Accelerator programme. The company develops wooden wind turbine towers and, among other things, the money will be used to build the first commercial wooden turbine tower. The European Commission specifically highlighted the contribution that Modvion's technology can make to restarting the post-coronavirus economy.

"This support from the EU is clear proof of the enormous potential of wooden wind turbine towers and it will help us develop as a company at an even faster pace. We are now one step closer to being able to offer commercial, climate-neutral wind turbine towers," says Otto Lundman, CEO of Modvion AB.

EIC Accelerator is part of the European Innovation Council (EIC) pilot programme to support groundbreaking innovation. Modvion has been offered a total of €6.5 million, equivalent to SEK 69 million. SEK 26 million is in the form of grants, while SEK 43 million consists of capital investments guaranteed by the European Investment Bank.

The call proved to be the toughest yet within the EIC Accelerator programme, with only 72 of 3,696 applicants granted financing. Half of the companies offer solutions for slowing the spread of the coronavirus, while half will contribute to the EU's recovery plan for rapidly getting the economy up and running again after the pandemic. In its press release, the European Commission specifically highlights the opportunities afforded by Modvion's technology to drastically reduce the cost of wind energy.

"That we are one of the few companies to receive grants in such fierce competition is a seal of quality. This financing creates security for us, our partners and potential investors. We can now focus on increasing the workforce, building a new development facility and constructing the first full-scale wooden wind turbine tower," says Otto Lundman.

Among other things, the EU grant will be used to build a development facility in the Gothenburg area. This is where the first tower on a commercial scale will be constructed – a tower of approximately 100 metres in height for Varberg Energi. Modvion has also signed declarations of intent with Rabbalshede Kraft for 10 towers, each at least 150 metres high.

"We are seeing an enormous demand for our wooden wind turbine towers. Laminated wood is stronger than steel at the same weight and by building modularly, wind turbines can be made both higher and at lower cost. Building in wood also radically reduces carbon dioxide emissions, allowing us to offer climate-neutral wind energy," says Otto Lundman.

Modvion's first wooden tower was erected on the island of Björkö outside Gothenburg in April. The 30-metre tower was ordered by the Swedish Wind Power Technology Centre at Chalmers University of Technology.

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Press photographs of Modvion and Otto Lundman are available [here](#).

Video and images of the raising of the wooden tower on Björkö can be downloaded [here](#).

Facts on wooden wind turbine towers

Modvion's wooden wind turbine towers are built as modules and assembled on site. The lower

weight of the wood and the modular concept make it possible to build taller towers, the sections of which can be more easily transported by road. By weight, the wooden construction is stronger than steel and can be built at a significantly lower cost. The carbon dioxide absorbed by the trees during their growth period remains stored in the wooden tower, facilitating climate-neutral wind energy.

About EIC Accelerator

The EIC Accelerator (previously known as SME Instrument) is part of the European Innovation Council (EIC) pilot programme to support top-class innovators, entrepreneurs, small companies and researchers with financing and services to accelerate the introduction to the market of groundbreaking innovations. Learn more about [EIC Accelerator](#) and read the [European Commission's press release](#) regarding the projects granted funding.

About Modvion

Gothenburg-based company Modvion develops demanding designs for large-scale applications in laminated wood – nature's own carbon fibre. By replacing emission-intensive materials such as steel and concrete, wooden structures offer radical reductions in greenhouse gas emissions.. The company's current focus is on wind turbine towers, where Modvion's patented module system offers reduced manufacturing costs and more efficient transportation of high towers to installation sites. Modvion is a portfolio company of Chalmers Ventures.

Operations are co-financed by the Swedish Energy Agency, Region Västra Götaland and the EU programme Horizon 2020 SME Instruments Phase 1.