

BRAZILIAN SUGARCANE INDUSTRY ASSOCIATION
UNIÃO DA INDÚSTRIA DE CANA-DE-AÇÚCAR



Brazilian Sugarcane Ethanol

*Workshop on Transportation Energy Demand and Fuel
Infrastructure Requirements*

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OUTLINE

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① Introduction

- *Brazil's diversified sugarcane industry*

② Sugarcane & U.S. Ethanol Market

- *Meeting the RFS and the LCFS*

③ Questions



①

Brazil's Sugarcane Industry

Food, Fuel & Electricity

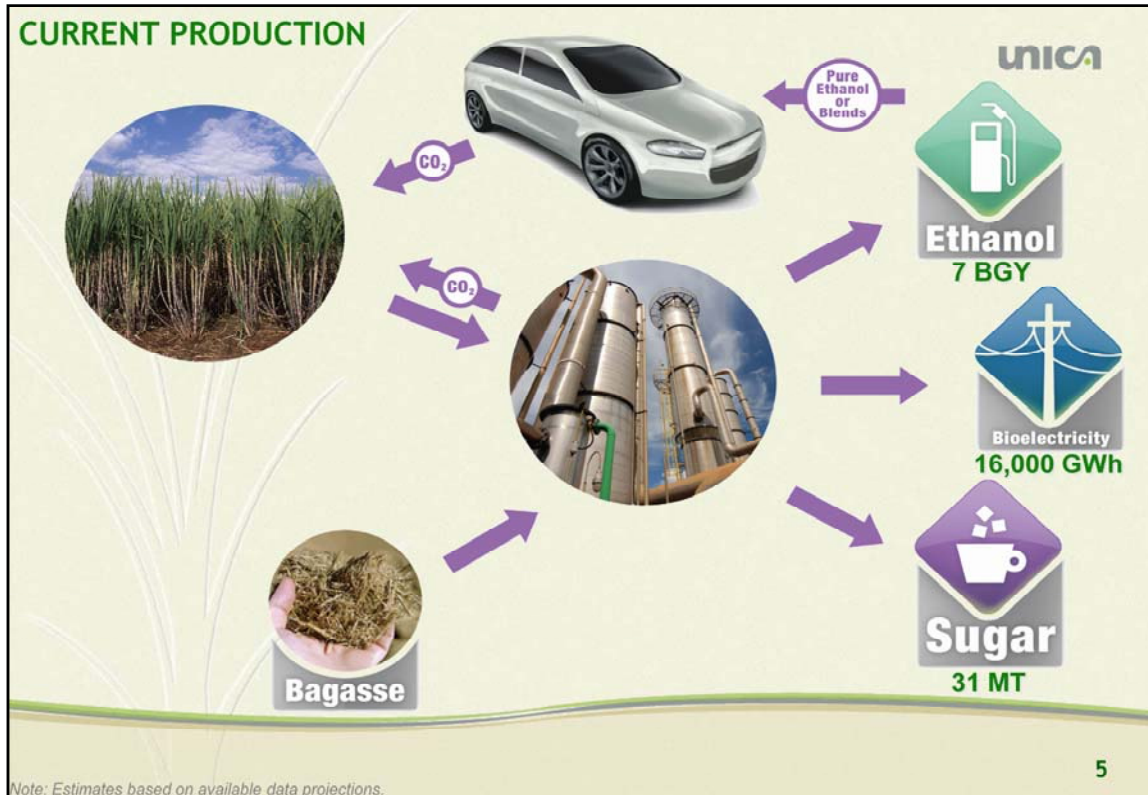
ABOUT UNICA

- UNICA is the **leading sugarcane industry association**, representing +100 producers and mills in Brazil
- Responsible for **60% of all ethanol and sugar production** in Brazil
- Emerging as a **leader in the generation of bioelectricity** already meeting 3% (and soon 10%) of Brazil's electricity demand
- International presence, now in Washington & Brussels, to engage in **constructive dialogue**

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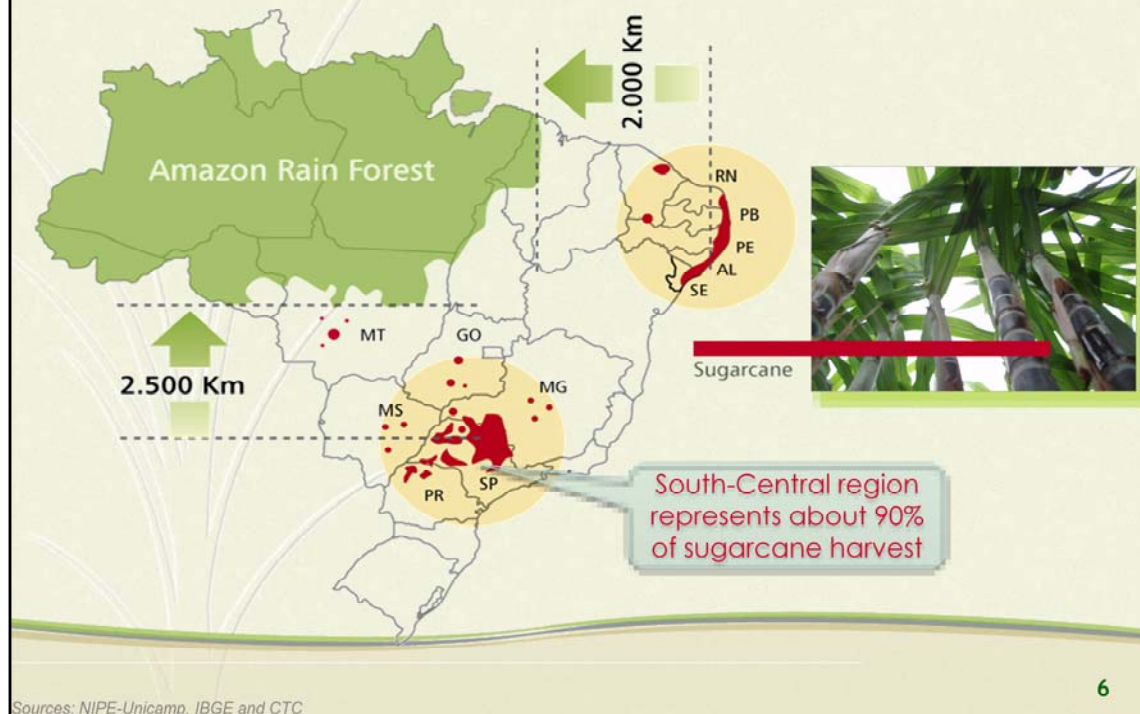


CURRENT PRODUCTION



1% OF BRAZIL'S ARABLE LAND

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BRAZILIAN PRODUCTION & ESTIMATES



	2008/09e	2015/16	2020/21
Sugarcane production (million tons)	562	829	1,038
Sugar (million tons)	31.2	41.3	45.0
Domestic Market and Stocks	10.2	11.4	12.1
Export	21.0	29.9	32.9
Ethanol (billion gallons)	7.1	12.4	17.2
Domestic Market and Stocks	5.8	9.2	13.1
Export	1.3	3.2	4.1
Bioelectricity (MW average)	1,800	8,158	13,158
Share of electricity demand (%)	3%	11%	14%

Note: e = estimated data; potential generation of surplus electricity has been calculated based on the utilization of 75% of the available bagasse and 50% of the available straw, and considering the sugarcane production during most recent harvest, Sources UNICA, Copersucar, Koblitz and Cogen.



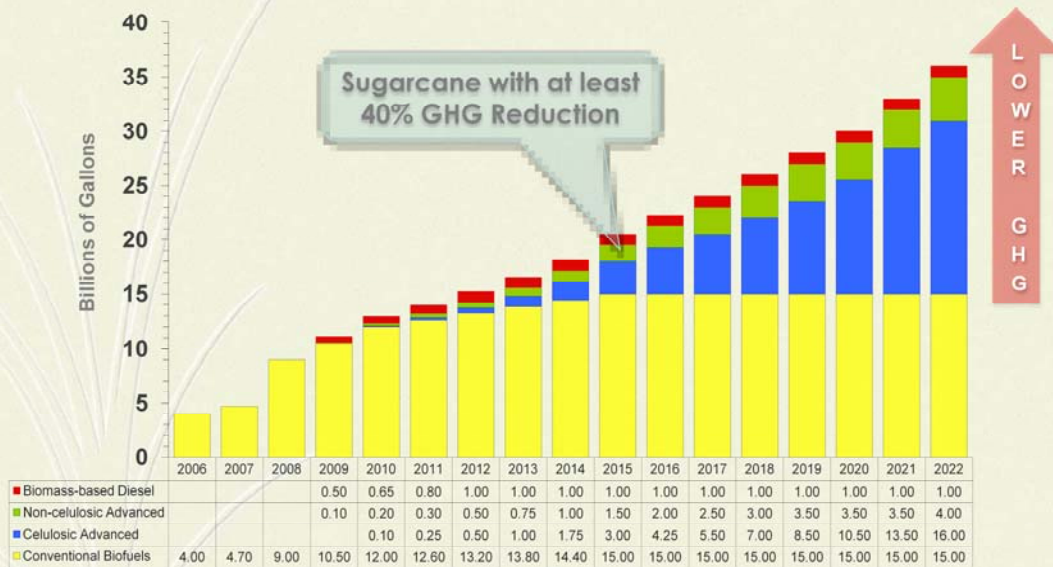
Sugarcane Ethanol & U.S. Market

Meeting the RFS and the LCFS

U.S. RENEWABLE FUELS STANDARD (RFS)

Sugarcane ethanol to meet "Advanced Biofuel" threshold

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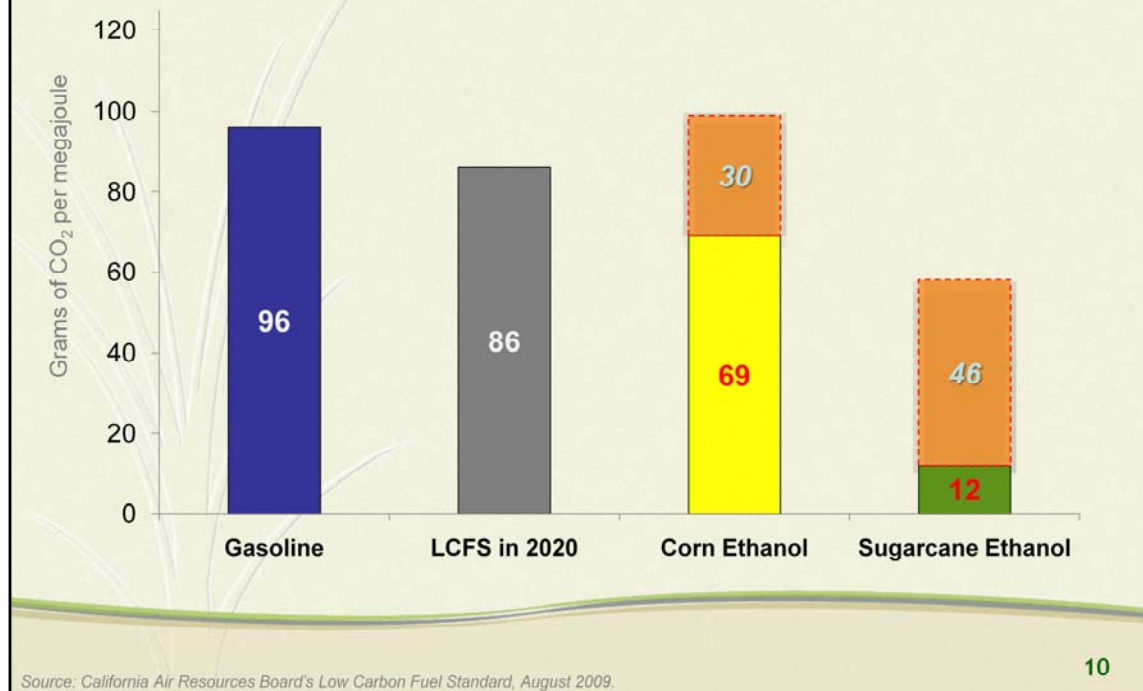


Source: EISA of 2008, Dept of Energy, ITC; E-10 Blend Wall Limit based on EIA's projections of gasoline consumption and do not include bottleneck and other infrastructure concerns.

LCFS WITH "INDIRECT LAND USE" PENALTY

CARB's Modeling on ILUC greatly penalizes biofuels

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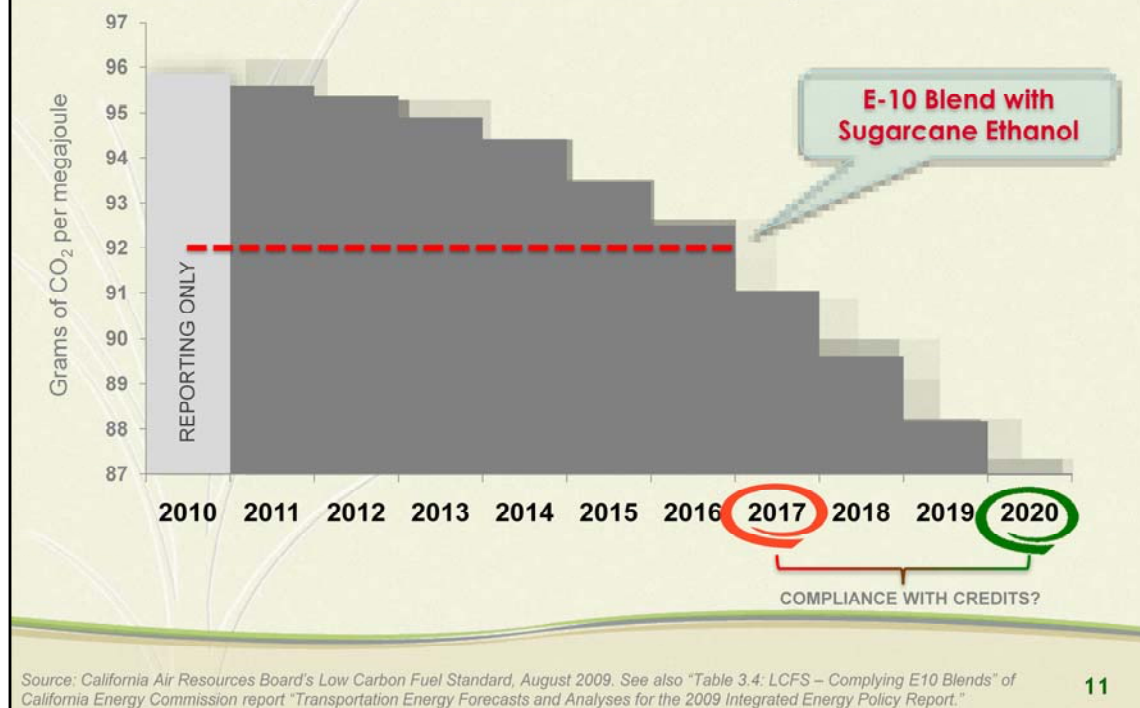


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LCFS SIMULATION WITH SUGARCANE ETHANOL

Even with ILUC, 10% sugarcane ethanol blends meet LCFS through 2016

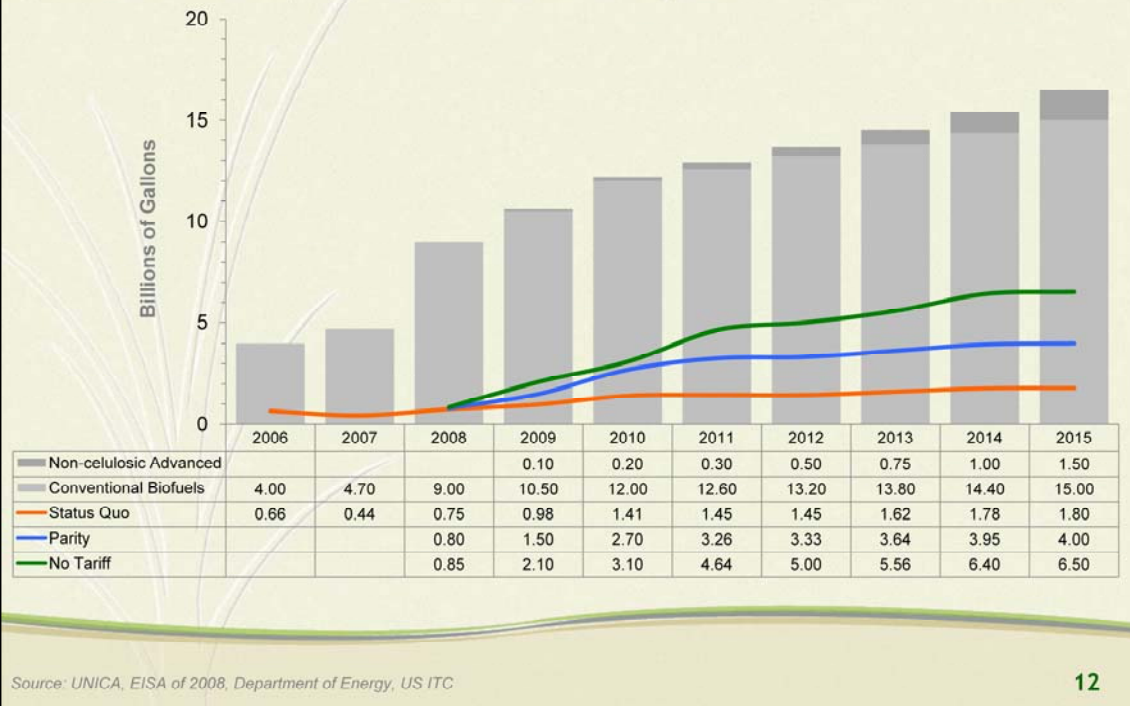
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IMPACT ON IMPORTS BASED ON POLICY CHANGES

By 2015, Brazil could exports between 1.5 to 6.5 billion gallons

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