

# The Impacts of the EU Sustainability Scheme for Biofuels in Bioethanol Markets



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**Starting date:** 1 March 2009

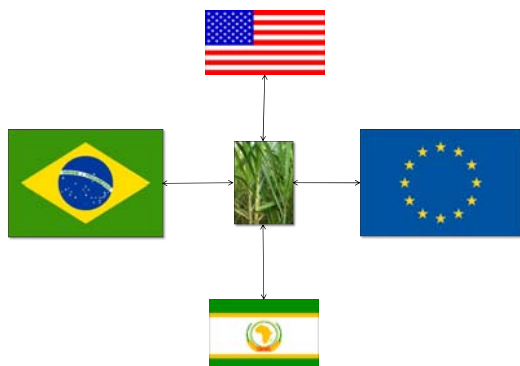
**The first phase:** Two years

## Introduction

The European Commission has adopted recent legislation aggregating many aspects of the promotion of renewable energy in Europe. This Directive proposal was put forward by the European Commission (EC) on 23 January 2008 and adopted in December of the same year. It was part of the Climate Change Package providing the EC regulatory approach on the most critical implications of a stronger biofuels policy for Europe. In the proposal the Commission unveils its sustainability criteria for the production and usage of biofuels, as well as binding 10% targets for all European member states by 2020.

The objective of this research is to explore the impacts of the proposed European sustainability criteria on the Brazilian bioethanol production and markets and the implications that this may have on the development of biofuel markets at a global level.

## Research Framework



## Objectives:

The research will analyze how the sustainability criteria proposed by the European Institutions could affect bioethanol markets, and by consequence the role of that biofuel in Europe. Brazil is the starting point as it is the country with the most significant experience in ethanol production and use. In-depth study of sustainability in the Brazilian case will allow the evaluation of market implications beyond trade between Brazil and Europe.

## Scope:

Bioethanol markets and the 2009 European Renewable Energy Directive, which contains the sustainability criteria to be implemented.

## Methodology:

- Review of official, academic and industry-specific publications. Contacts and interviews at international and governmental agencies.
- Scenario assessment techniques and quantitative analysis using EUROSTAT / IBGE and multiple industry-specific databases.

## Academic and Professional Background

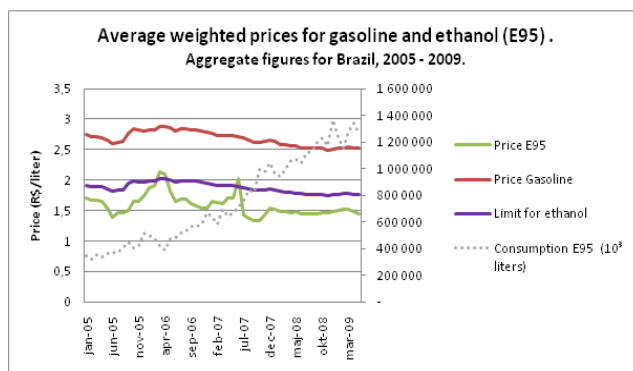
Henrique Pacini is an Economist from Universidade de São Paulo and has a M.A. in European Studies from Hochschule Bremen – Germany. Mr. Pacini has worked with renewable energy for the European Commission (DG TREN) and for the Brazilian Federal Government. He is a current PhD student at the division for Energy and Climate Studies of KTH.

## Anticipated papers:

*Evidence from markets of ethanol and gasoline in Brazil and Sweden. International demand justifying the need for multiple biofuel producers* Expected deadline: 2009-11-01

*Innovation subject to sustainability criteria The European policy shaping innovation in the bioethanol industry* Expected deadline: 2009-10-02

## Results 1:



## Results 2:

