

# **Ethanol Working Group**

# Blending

- Firm, stable policy base – political will and incentives
- Need ethanol technical specification (preferably in line with international specs)
- Focus initially on blending 10-20% - Even 2% a starting point
- Gov't to emphasize positive (environment, economic, social) impacts
- Engage oil industry (distribution management), vehicle industry

# Market Development

- Subsidies may be required to kick start domestic markets – sustainability?
- Domestic vs. export
- Domestic advantage – infrastructure and capability
- International market – much larger, doesn't require complex policy
- Harmonization – think regional/subregional (e.g. tax)

# Production and Sustainability

- Fair trade and feedstock pricing
- How do you influence choice of feedstock? Food vs. fuel (SADC study)
- Agreed - Difficult to legislate crop choices
- National/regional assessment needed on crop impacts
- Policies related to conversion facilities can affect feedstock choice
- Policy - restrict production to certain kinds of lands

# Production and Sustainability, ctd.

- Research and data needed on land, feedstock, impacts
- Assessment of blend % and scenario analysis on land use
- Subregional identification of comparative advantage
- Strengthening food trade and infrastructure for moving goods helps
- 2<sup>nd</sup> generation will help – better use of crop waste

# Environmental Criteria

- Stop cane burning
- Cleaner production
  - Waste disposal from conversion facilities ('vinasse'/stillage) into methane production
  - Runoff from farms
  - Zero discharge technology, closed loop systems (technology already exists, can be adopted)
- Biodiversity/Ecosystems
  - Stop encroachment into protected areas, stronger enforcement (agriculture and energy problem, not specific to biofuels)
  - Deal with indirect effects

# Environment Policies

- Require environmental and social impact assessments (e.g. use of byproducts, water use reduction)
- Technology already exists to increase efficiency, decrease discharge
  - Policy to encourage adoption
- Require biodiversity considerations in farm expansion (e.g. fallow requirements, intercropping)

# Other Considerations

- R & D that helps identify best practice and adapt technology for national context
- Dissemination and outreach via networks
- National level agriculture and biofuel assessments