

Brazil Triples Alcohol Exports. Blame It on the US.

Contributed by Marcelo Gutierrez
Thursday, 13 January 2005

Brazil tripled its exports of alcohol in 2004, while exports of sugar grew 20%. This performance was the consequence of the "exceptional" results of the sugarcane agro-industry in the Center-South region, which represents 85% of national production.

This information was given by the president of the São Paulo Union of Sugarcane Agro-industry (Unica), Eduardo Pereira de Carvalho.

The 2004/05 crop came to 327.14 million tons of sugarcane, 9.27% greater than in the previous harvest.

The harvest permitted the production of 22.05 million tons of sugar and 13.54 billion liters of alcohol, respectively, 7.8% and 3.6% more than in the previous harvest. This figures appear in the sector's annual balance sheet, released January 12.

The sector exported US\$ 900 million more than in 2003, reaching the mark of US\$ 3.1 billion.

"We shipped abroad around 2.5 billion liters of alcohol, that is, three times more than last year, and we increased the volume of sugar exports by 20%," Carvalho remarked.

He emphasized that "fuel alcohol represented 60% of the export volume, reaffirming the tendency for countries to add the product to gasoline."

The United States remains the biggest market for Brazilian alcohol, with around 600 million liters (30% of the anhydrous type and 70% of the hydrated type). The chief market for Brazilian sugar is Russia.

Carvalho also pointed out that Brazil is conquering new markets, especially on the European continent.

The director of the Department of Sugar and Alcohol of the Ministry of Agriculture, Livestock, and Supply, Ângelo Bressan, left today for Tokyo (Japan), accompanying the Brazilian Ethanol Mission, which is a technical mission comprised of Brazilian entrepreneurs who intend to clear up Japanese doubts about the use of alcohol in gasoline.

In August of last year, the Japanese government decided to adopt an optional addition of 3% of alcohol to gasoline. The measure can benefit Brazil, since Japan is expected to consume around 1.8 billion liters of alcohol, annually, on the mixture.

Translation: David Silberstein
Agência Brasil