

Brazil's Petrobras Signs Biodiesel Contracts. 65,000 Families to Be Benefited

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Brazilian oil company Petrobras signed today with four private companies their first contracts for the purchase of biodiesel. The companies Agropalma, Granol, Soy Minas and Brasil Ecodiesel were the winners of a tender held in December by the National Petroleum Agency (ANP).

By the contracts, evaluated in US\$ 22.5 million, the companies will supply 65.3 million liters of biodiesel per year to the state owned company.

This, according to the Press Secretariat at the Planalto Palace, is going to benefit 65,000 families of farmers who are going to produce the raw material for the factories.

The majority of the producers is from the northeastern state of Piauí and will supply Brasil Ecodiesel, which also got the greatest part of the supply lot for Petrobras.

The other families are from the states of Minas Gerais and São Paulo, in the southeast, and Pará, in the north.

The Brazilian law authorizes a mixture of 2% biodiesel to the diesel oil. For the while the mixture is optional, but as of 2008 it will be obligatory. The fuel is produced from oleaginous plants like castor beans, oil palm, sunflower, soy and radish.

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