

Brazil Anticipates Sugar Cane Harvest to Guarantee Supply of Ethanol

Contributed by Edla Lula
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Farmers in the Center-South region of Brazil began harvesting their sugarcane crop two months earlier than usual.

The Brazilian Minister of Agriculture, Livestock, and Supply, Roberto Rodrigues, participated in the kickoff ceremony in the city of São Tomé, in the state of Paraná.

Eduardo Pereira de Carvalho, president of the São Paulo Sugarcane Agroindustrial Union (UNICA), said that through the end of April 850 million liters of alcohol will be placed on the market, guaranteeing the supply and alleviating price pressures due to the current imbalance between supply and demand.

According to UNICA data, the Center-South region expects to harvest 363 million tons of sugarcane, 27 million tons more than the 336 million tons pressed in the 2005/2006 harvest. This year's harvest will encompass an area 8% larger.

Another measure adopted by the government to keep fuel prices from skyrocketing was to reduce the percentage of anhydrous alcohol mixed with gasoline from 25% to 20%. This is calculated to lower monthly alcohol demand by 100 million liters.

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