

Brazil's Lula Excited With Addition of Biofuel to Diesel

Contributed by Carolina Pimentel
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With the production of H-Bio, consumers may be able to pay less for diesel oil, Brazilian President Luiz Inácio Lula da Silva said Monday, May 22, in his weekly radio broadcast.

H-Bio is a new type of fuel including a mixture of vegetable oil (extracted from castor beans, soybeans, and other oilseeds) in the process of producing diesel oil, resulting in a higher quality product that is less pollutive. The fuel will be manufactured by Petrobras.

"Our diesel oil will be better in quality, because it will be refined together with petroleum. This can lower the price for consumers and can provide soybean and castor bean producers a degree of market certainty, meaning that they won't depend exclusively on exports.

We will be able to sell this oil to other countries and will be able to consume much more domestically," Lula affirmed during his program, "Breakfast with the President."

The new fuel was announced last Wednesday, May 18, by the National Energy Policy Council. According to Petrobras, beginning in 2007, diesel will contain a mixture of 10% vegetable oil, and Brazil will thus be able to eliminate up to 250,000 cubic meters daily in diesel imports.

In Lula's opinion, H-Bio will alter the world's energy matrix in the coming years. "The extraction of biodiesel from castor beans, dendê palm coconuts, sunflower seeds, cottonseeds, and soybeans will permit us to raise productivity in the countryside, provide the producers of these oilseeds an effective peace of mind, and enable Petrobras to assume definitive responsibility for looking after not only petroleum, but also these other items that add up to energy and sovereignty for Brazil," the president declared.

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