

Soybean Farmers in Brazil Promised They Will Sow Oil

Contributed by Alexandre Rocha
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Brazilian oil company Petrobras, plans on starting the industrial scale production of the H-Bio as of December this year. The H-Bio is a diesel oil developed by the company which is obtained from the mixture of vegetable oil with petroleum during the refining process.

With this the company expects to save on the fuel's imports. Today the country imports about 10% of its needs in diesel.

According to the director of the supply area at Petrobras, Paulo Roberto Costa, the company should save US\$ 145 million per year on the short run and US\$ 240 million per year on the medium run.

"As well as reducing the commercial deficit, there will be less dependence in products from abroad and greater guarantee in fuel supply," he said Tuesday, June 20, while the industrial test for the H-Bio production was being carried out at the President Getúlio Vargas Refinery (Repar), in the southern Brazilian state of Paraná. The event counted on the participation of the president of Brazil, Luiz Inácio Lula da Silva.

According to President Lula, Brazilian farmers who now plant soybeans and other seeds used for making oil "now will sow petroleum."

The H-Bio was developed by the Research and Development Center at Petrobras (Cenpes) by a team headed by the engineer Jefferson Roberto Gomes. The 18-month work resulted in a product that is less polluting and more efficient than the traditional diesel, as it has a lower sulfur rate and has a greater ignition quality, which means it burns better.

"It is a diesel of excellent quality, it burns better and therefore results in less emissions," stated Gomes.

"And it is a lot cheaper," assured the president of Petrobras, José Sérgio Gabrielli.

In the beginning the fuel will be produced in three refineries: Gabriel Passos (Regap), in Minas Gerais (Southeast Brazil), in December this year, and Repar, in Paraná, and Alberto Pasqualini (Refap), in Rio Grande do Sul, (southernmost Brazilian state), in 2007.

The oil used in the tests is soy oil, but the oil from other oleaginous plants may be used, such as castor seeds, sunflower seeds, oil palm and cotton.

Brazil already produces soy oil in large quantities, of 5.6 million cubic meters per year, and this is currently the product with greatest availability for H-Bio production. It is the kitchen oil itself.

In the beginning, Petrobras plans on using 256,000 cubic meters per year of vegetable oil, which amounts to nearly 10% of the total of soy oil exported by Brazil. This, according to Petrobras, equals to a reduction of 15% in diesel imports.

"Petrobras may even use the oil saved in producing the H-Bio in other uses," remarked Gabrielli. According to Petrobras, the adaptations in the existing refineries to produce the new fuel are small; investments of US\$ 38 million will be made in the three chosen plants.

As of 2008, the company plans on introducing two more refineries in the process, with another US\$ 23 million in investments. As of then, the quantity of vegetable oil used will be of 425,000 cubic meters per year, which will represent a reduction in 25% in the need for importing diesel.

Employment in the Fields

According to Costa, the H-Bio will cause a new wave of employment generation in agribusiness and open new perspectives in the fields and processing companies. The average percentage of vegetable oil to be mixed to mineral oil in commercial refining is still not known, but Costa said that it should be above 10%.

During Tuesday's event, many government officials compared the impact of H-Bio with that of alcohol fuel program Proálcool in the 1970s and 80s. The program introduced ethanol in the Brazilian energetic matrix. Today alcohol is largely used in the Brazilian fleet of vehicles.

"Brazil was seeking two things: self-sufficiency in oil, managed this year, and an effective participation of the green fuels in the energetic matrix and the H-Bio comes to achieve this," said the minister of the Chief of Staff's Office, Dilma

Roussef, during the ceremony at Repar. She added that Petrobras already asked for the product's patent and may also profit on royalties.

For Lula, the new fuel is a "revolution". "In the next 10 to 15 years, Brazil will become the most important country concerning renewable energies," he said. "No one will manage to compete with us," he added.

The H-Bio is different from the bio-diesel, another fuel in which the Brazilian government has been investing, in the following way: the first is the result of a mixture of vegetable and mineral oil in a process called hydrogenation, in other words, adding hydrogen.

This results, according to Costa, in a fuel with the same characteristics of regular diesel, but cleaner. The bio-diesel, in turn, is entirely vegetable and is mixed to regular diesel, currently at a rate of 2% in Brazil, already at the distributors.

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