The Role of Biofuel for Income Distribution Policy
A Private Non-Profit organization ranked among the Top 5 Think Tanks in the world in the “policy makers” category *

- **2,100** professors and contributors
- **2,500** undergraduate students
- **1,100** master degree candidates
- **218** doctoral degree candidates
- **65,000** students involved in continuing education courses

* “The Leading Public Policy Research Organizations in the World” survey announced in 2011 by the Think Tanks and Civil Societies Program (TTCSP) assessing a total of 5,080 institutions.
FGV has developed projects in several countries in Latin America and Africa supported by the Brazilian Expertise to Develop Sustainable Biofuel and Food Projects
Biofuels: Powerful tool for leveraging the economy

Fossil fuel: Few countries producing

Many countries are buyers of fossil fuel

Export + Peak Oil

Many countries could produce your own fuel

Biofuel: Own production

Wealth Generation + Income Distribution

Market fuel already exist in all countries

Monetary circulation

Powerful tool to Leverage economies

Improve the trade balance
Biofuel - Value Chain

Impact in agricultural sector:
- High employment generation;
- Decentralized production;
- Better Income distribution;
- Increase technological development in agriculture;
Vegetable Oils – Biodiesel Sector

2010
- Soybean: 75%
- Others Oils: 16%
- Tallow: 9%
- Total: 1.880.000 m³

2020
- Soybean: 57%
- Others Oils: 39%
- Tallow: 4%
- Total: 10.025.000 m³
Biofuel & Family Farming

Land & Labor

Financing

Industry

Wealth Generation & Income Distribution
Brazilian Example – Biodiesel Sector

**Requirements:**
- An percentage of raw material total cost need to buy from family farm.
- Full technical assistance.

**Benefits:**
- Company has the rights to participate in 80% of total volume commercialized in the official auction.
- Taxes reduction.
Brazilian Example – Biodiesel Sector

Family Farming – 2010*
108,000 families

Family Farming - 2020
570,000 families
Palm Oil Example – Pará State

Families Farming in Pará state:
- 10,070 Rural Settlement Projects.
- 230,884 Families
- Average area per family: 25 hectares.
Palm Oil Example – Pará State

- Farm family production started 10 years ago with a local company in Pará state.
- Each family has received approximately U$ 1,000 net per month.
- Area managed per family: 10 hectares.
- On going projects will involve 5,000 families.
- Financing offered by Brazilian government thorough official banks.
Palm Oil Example – Pará State

MDA – Pronaf-ECO

Financing

Small Farmers

Banco da Amazônia

Culture

Industry

Technical Assistance
Purchase Agreement

Technical Package

Inputs
Fertilizers & Seedlings
Thank you

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