



PRESS RELEASE
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The world's first verified sustainable ethanol comes to Sweden

Swedish SEKAB is the first in the world to supply verified sustainable ethanol. This is ethanol from Brazilian sugarcane for inclusion in E85 and ED95. The ethanol is quality assured from environmental, climate and social perspectives.

Like electricity, ethanol is an energy carrier. And just like electricity made from wind power and from coal, there are better and worse ways of producing ethanol.

"Consumers and other stakeholders need guarantees that the ethanol we delivery is verified sustainable," says Anders Fredriksson, vice president of SEKAB BioFuels & Chemicals.

SEKAB has therefore spent 18 months developing a framework with criteria that cover the entire lifecycle of ethanol from the sugarcane fields all the way through to its use in cars. This has been done together with a number of progressive Brazilian producers who share SEKAB's view that this is vital for the future development of the international ethanol market.

The initiative is the first practical application of verified sustainable ethanol and is a major step toward realizing an international standard for how ethanol should be produced in an ecological and socially sustainable way. The criteria that sustainable ethanol must meet are in line with those demands highlighted in the ongoing processes being led by international organisations like the UN, EU, ILO and a number of NGOs.

Zero tolerance

In addition to environmental sustainability, the requirements have zero tolerance for child labour, non-organised working conditions (slave labour) and the felling of rain forests. There are also requirements concerning working conditions, labour laws and wages. Harvesting is to be at least 30 per cent mechanised today and this will increase to 100 per cent by 2014. The transition from manual to mechanised harvests is similar to the Scandinavian forest industry's transition from manual felling to mechanical felling and the effects this had on working conditions and the number of employees.

In terms of the climate, the demands on verified sustainable ethanol will result in a reduction of carbon dioxide emissions from farming, production and transport to Sweden by at least 85 per cent compared with petrol.

An independent international verification company will audit all production units twice a year to ensure the established criteria are met.

Taking the lead

"This initiative for verified sustainable sugarcane ethanol is the first of its kind in the world and a major step in the right direction for speeding the replacement of today's petrol and diesel," says Anders Fredriksson. "The criteria will gradually be developed over the coming years and synchronised with coming EU regulations when these are in place."

"The EU is developing regulations with requirements for sustainable biofuels but it will take time before these are ready, so we are taking the lead," says Anders Fredriksson. "The also hope that through this initiative, we can speed the development of international regulations. This will definitely speed developments in Brazil so that we can soon increase the range of verified sustainable ethanol to meet the fast growing international demand for renewable alternatives to oil."

First delivery in August

SEKAB delivers about 90 per cent of all ethanol in Sweden for E85 and ED95 (ethanol for heavy vehicles).

"The first harvest of sugarcane for our verified sustainable ethanol has just begun," explains Anders Fredriksson. "This means Swedish owners of ethanol-powered cars can begin filling up with verified sustainable ethanol at the beginning of August."

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SEKAB is the leading European supplier of renewable fuel. The company focuses on developing the market for bioethanol in northern Europe and the construction and operation of large-scale ethanol production facilities. SEKAB is also a world leader in development of technology and production processes for ethanol from cellulose, with a pilot plant in operation since 2004.

SEKAB is one of the companies best positioned in Europe to meet the global challenge of reducing oil dependency and carbon dioxide emissions from fossil fuels in the transport sector.

SEKAB has approximately 140 employees and sales of about SEK 2 billion, which makes it one of the largest Nordic environmental technology companies. Its main office and pilot plant are in Örnsköldsvik, Sweden.