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Hart's Global Biofuels Outlook Offers New Projections for 2020: Demand Projected to Grow By 133%, Production Required To Grow by 32 Billion Liters.

HOUSTON, TEXAS (Sept. 23, 2010) – Despite recent challenges of financing and debate about overall greenhouse gas (GHG) benefits, global biofuels demand is still projected to grow by an impressive 133% by 2020 - primarily by government policies and market mandates. However, given the current state of the market, biofuels supply will be short by more than 32 billion liters (8.5 billion gallons) over the same period.

These are the results of Hart's newly released annual *Global Biofuels Outlook, 2010-2020: Projecting Market Demand by Country, Region and Globally*. The study captures the biofuels supply and demand picture in 35 countries, in four key global regions.

"Many countries are projected to find themselves with a supply deficit for ethanol and biodiesel by 2020," said Tammy Klein, Assistant Vice President, Hart Energy Consulting, and global study leader. "This deficit is worse for ethanol than for biodiesel," she said. Hart projects that the global supply may be short 19 billion liters (5 billion gallons) for ethanol, and 13 billion liters (3.4 billion gallons) for biodiesel by 2020. Meantime, demand for biofuels is expected to grow through 2020 driven by public policies requiring biofuels blending. "We actually see the biofuels supply deficit begin to appear around the 2015 time frame," Klein said.

Leading the way in global ethanol demand expansion are Brazil and the U.S., followed by China, Japan, UK and Germany. "With its favorable GHG profile, these countries will primarily look to Brazilian advanced sugarcane bio-ethanol for supply, especially given the global context of tightening GHG limits - and limited commercial volumes of cellulosic ethanol," said Frederick L. Potter, Executive Vice President, Hart Energy Publishing. "Obligated parties in the U.S. will find themselves competing for

these volumes as never before. We expect this to lead to continued price appreciation for sugarcane ethanol over the 2011- 2020 period,” he said.

Not only will Brazil retain its position as the world’s top exporter of ethanol through 2020, Brazil will be THE leading country in a position to consistently supply the global ethanol market. “Our projections show that Thailand will run second behind Brazil with several Latin American countries such as Colombia and Peru also contributing,” said Klein.

On the biodiesel front, Brazil, India, Spain, Argentina, Indonesia, Germany and the United Kingdom will experience significant demand growth for biodiesel by 2020. “We do not expect new short-term capacity to be added to meet demand requirements since there is so much idle capacity in the world right now,” said Klein. “Rather, we expect utilization at existing facilities will increase over the 2011-2020 period, and for biodiesel blending limits to increase,” she said.

More information on the study findings, methodology and geographical coverage is available by contacting Tammy Klein at +1.701.323.0417 or visiting www.globalbiofuelscenter.com.

Hart Energy Consulting is a division of Hart Energy Publishing, LP, one of the world’s largest energy industry publishers, with a diverse array of informational products for the worldwide energy industry. Multi-client consulting services include the *International Fuel Quality Center*, the *Global Biofuels Center* and an annual *Crude, Refining & Clean Transportation Fuels Outlook to 2030*. Headquartered in Houston, with offices in New York, London, Washington, Brussels, Bahrain, and Singapore, Hart Energy Publishing’s market-leading publications include *Oil and Gas Investor*, *E&P*, *FUEL* and *PipeLine & Gas Technology*. Hart also produces newsletters, custom publishing products, conferences, and unique multi- and single-client consulting services.

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