

# MoU between India and Brazil on Bio energy Cooperation

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**Source:** *PIB*

The Union Cabinet, chaired by the Prime Minister has given its approval for signing of Memorandum of Understanding between the Republic of India and the Federative Republic of Brazil on Bioenergy Cooperation.

## Background

During the meeting between Hon'ble Prime Minister Shri Narendra Modi and President of Brazil in India in 2016, the two sides agreed to cooperate on research and development of renewable energies, as well as in the field of second-generation biofuels.

## Biofuel production by Brazil

- India and Brazil are major consumers of energy in the world and Brazil is one of the most important trading partners of India in the entire LAC (Latin America and the Caribbean) region.
- Brazil is **currently the world's second-largest producer and consumer of biofuels** and biofuels and bioelectricity accounted for 18% of Brazil's energy mix.

## Biofuel in India

India also has a strong focus in the area of biofuels and has set a target to achieve 20% blending of ethanol in petrol and 5% blending of biodiesel in a diesel by 2030 with the announcement of the new policy on Biofuels in 2018.

## About the MoU

The MoU provides a framework to cooperate and promote investment in biofuel, bioelectricity and biogas supply-chains, including feedstock, industrial conversion, distribution, and end-use sectors.

**Few other salient features of the MoU include;**

- **Exchange of information on agricultural practices and policies regarding biomass for bioenergy**, including sugarcane, corn, rice, oil-crops, and lignocellulosic crops
- Policies for reducing greenhouse gas emissions levels based on the use of biofuels, using cycle analysis and the issuance of emissions reduction certificates traded in an organized market
- Trade aspects and the promotion of a joint position to address market access and sustainability of biofuels, including advanced biofuels
- Engine and fuel modifications/adjustments that may be necessary for different percentages of biofuels blended with fossil fuels.