



## PRESS RELEASE

Vienna, 23 August 2012

### **AGRANA: Bioethanol "made in Austria" is sustainable**

As part of the discussion surrounding the introduction of E10 in the autumn this year, AGRANA would once again like to emphasise the sustainability of bioethanol produced locally.

#### **Model plant at Pischelsdorf makes it possible to cut greenhouse gas emissions by 70%**

Bioethanol is produced in a particularly resource-efficient way at AGRANA's facility in Pischelsdorf. Aside from bioethanol, a further three high-quality products are set to be produced there from just one raw material. Thanks to optimisation measures in the system operations and the multiple use of a single raw material, the resulting greenhouse gas savings of 50% compared to petrol will rise to 70% in the future.

#### **Make better use of potential CO<sub>2</sub> savings from bioethanol domestically instead of exporting them**

AGRANA already produces enough ethanol needed for E10 in Pischelsdorf. Half of this is currently exported. This means that Austria is forgoing immediately available greenhouse gas emission savings which could instead be of benefit to private transport as the largest producer of greenhouse gas.

#### **Bioethanol from Austria frees up space to produce foodstuffs in other countries**

In order to produce bioethanol, AGRANA makes use of leftover animal feed grain from central Europe which was produced sustainably and is unsuitable for human consumption – no bread grain is therefore used. Hence the current discussion of "food versus fuel" does not apply to bioethanol "made in Austria".

Furthermore, AGRANA also makes a valuable animal protein feed product (Actiprot) when producing bioethanol, a product which has previously been imported from South America for the most part. In doing so, cultivated areas there are then free to be used to produce food for the local population instead of to produce and export feed to satisfy the demand for meat in developed countries. Another advantage of Actiprot over soya imports is that it is not genetically modified in any way.

#### **Minimal difference in price between E10 and E5 resulting from daily spot market fluctuations**

One look at the ethanol and petrol spot market prices reveals that the ethanol price has ranged from 15% below to 15% above the price of petrol over the past six months. The current price of petrol is 66.3 cent per litre, while ethanol is trading at 71.6 cent per litre. The result of this difference is a 0.26 cent per litre price increase in the event of the

admixture rising by 5% from E5 to E10, meaning that the additional impact of daily spot market fluctuations is negligible. The argument that this will lead to a significant rise in prices is therefore not applicable.

**Introducing E10 is simply a matter of wanting to**

Introducing E10 in Austria is thus sustainable and sensible from a production standpoint. AGRANA is ready at a moment's notice to supply the required quantity of bioethanol. Moreover, more than 90% of the cars on Austria's roads are capable of using E10 and the pumps previously used for standard petrol should be available for use with E10. The last remaining issue revolves around how exactly it should be introduced and sold. Motorists must also be provided with targeted and detailed information about E10 before it is introduced in order for them to accept it.

This press release is available at [www.agrana.com](http://www.agrana.com).