


# Integrating Life-Cycle Assessment and Input-Output analysis for the assessment of ethanol greenhouse gases emissions in Brazil

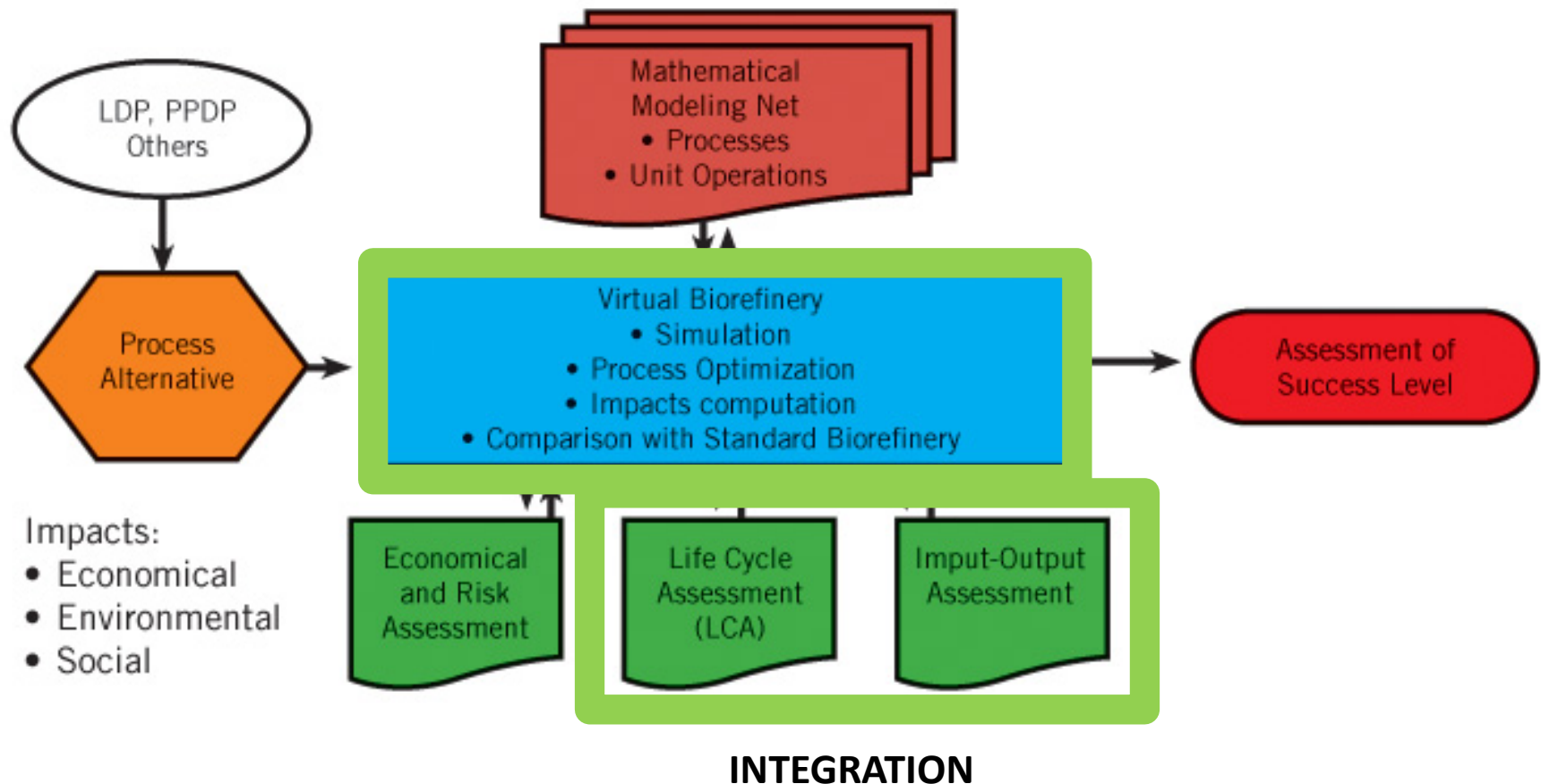


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The text is positioned in the lower right area of the slide. To its left is a small image of a green gas pump nozzle with a silver hose, emitting a spray of white gas. The text is in a black, sans-serif font, with the word "Authors:" in a bold, yellow font.

## Virtual Sugarcane Biorefinery methods

- **Currently:** LCA and Input-Output Analysis (IOA) are stand-alone methods
- **Objective:** to integrate LCA and IOA



## Life Cycle Assessment (LCA)

- (+) **Bottom-up analysis**
- (+) Life cycle inventory: **process-based**
- (+) Allow to **compare** similar products



## Input-Output Analysis (IOA)

- (+) **Top-down technique:** input-output table
- (+) **System boundary:** Brazilian economy sectors
- (+) Measure **direct and indirect** impacts



## Life Cycle Assessment

- Aspen Plus®
- CanaSoft
- Usage spreadsheet



## Life Cycle Inventory

Process-based data are inserted into the input-output table

## Tiered hybrid IOA:

- Sugarcane and ethanol sectors  
CanaSoft : sugarcane  
Econosoft e Aspen: ethanol

	Setores						Demanda final	Valor produção	
	1	2	...	j	...	55	Y	X	
Setores	1	$z_{11}$	$z_{12}$	...	$z_{1j}$	...	$z_{1-55}$		
	2	$z_{21}$	$z_{22}$	...	$z_{2j}$	...	$z_{2-55}$		
	...	...	...	...	...	...	...		
	j	$z_{j1}$	$z_{j2}$	...	$z_{jj}$	...	$z_{j-55}$		
	...	...	...	...	...	...	...		
55	$z_{551}$	$z_{552}$	...	$z_{55j}$	...	$z_{55-55}$			
Valor adicionado	W								
Valor da produção	X			$x_j$					

- Technology scenarios
- Direct and indirect impacts
- Economic and environmental indicators

## Starting point: Input-Output table

		Sugarcane						Final Demand	Total output
		1	2	...	$j$ ↑	...	55	Y	X
Fertilizer	1	Matrix A							
	2								
	...								
	...								
	55								
	Value added							W	
Total purchases	X				100				

Direct requirement:  $a_{ij} = z_{ij}/X_j$

= 0,05

For each \$ 1 worth of sugarcane , there was \$ 0.05 worth due to fertilizer purchases

# Input-output analysis

Technical coefficient matrix ( $A$ ), final demand ( $Y$ ) and total output ( $X$ ):

$$\sum_{j=1}^n a_{ij} X_j + Y_i = X_i$$

$$A X + Y = X$$

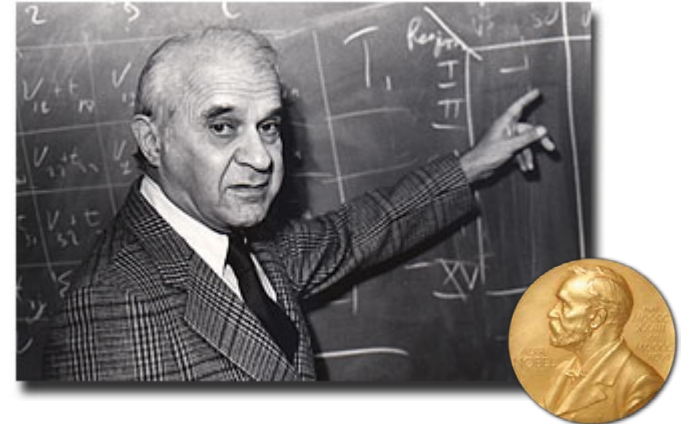
$$X = (I - A)^{-1} Y$$

↓  
“Leontief Inverse matrix”

↓  
**Output array  
with values for  
each sector**

Final demand array  
(consumption from  
families,  
government, etc.)

**Wassily Leontief (1905-1999)**



Nobel prize in Economics (1973)

# Input-output analysis

$$X = (I - A)^{-1} Y$$

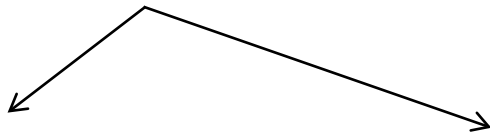


Leontief inverse equals the following power series:

$$X = IY + AY + A^2Y + A^3Y + \dots$$



$$X = [I + A + A^2 + A^3 + \dots] Y$$



$$X = [I + A] Y$$

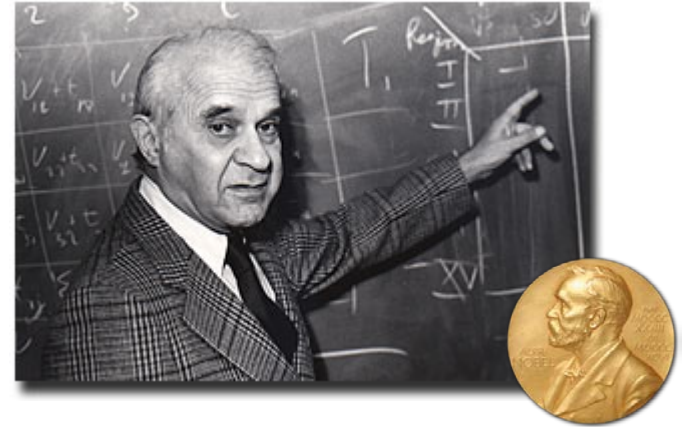
**Direct impact**

+

$$[A^2 + A^3 + \dots] Y$$

**Indirect impact**

**Wassily Leontief (1905-1999)**



Nobel prize in Economics (1973)

# Input-output analysis

$$X = [I + A]Y$$

+

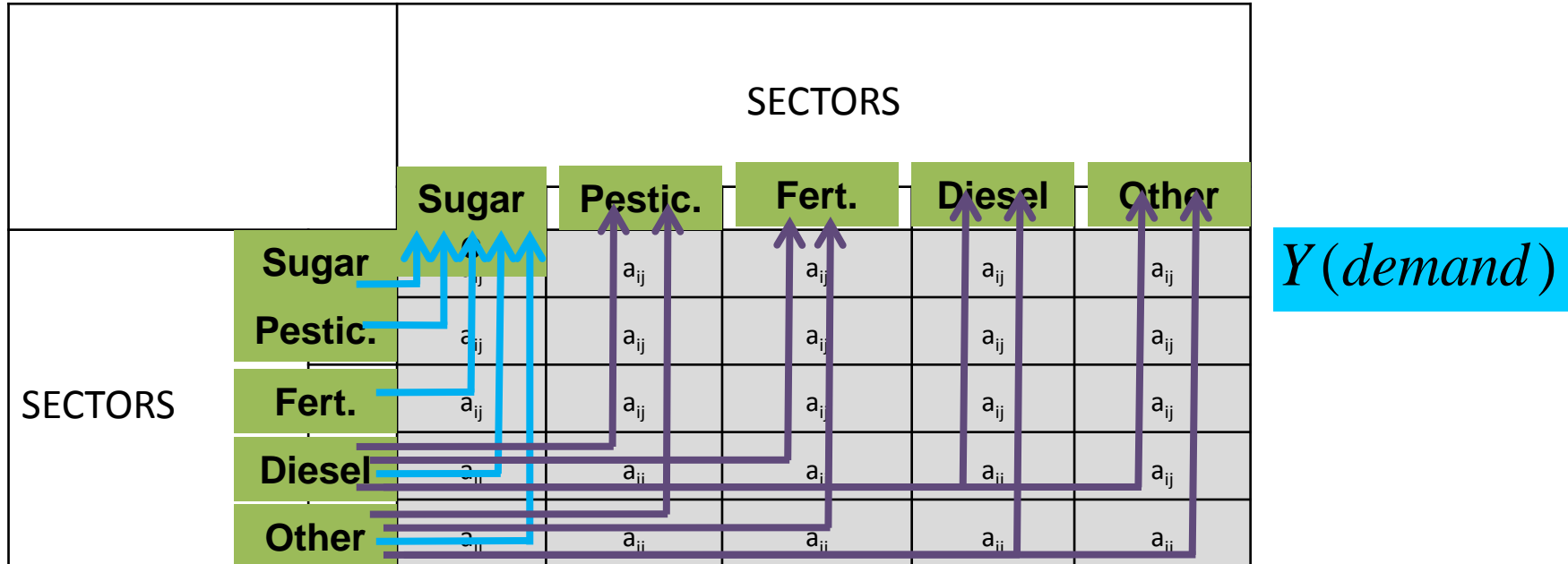
$$X = [A^2 + A^3 + \dots + A^n]Y$$

**DIRECT:**

For instance:  
Inputs to  
sugarcane

**INDIRECT:** Inputs to the inputs

Sum up infinite round-by-round effects  
( $n \rightarrow \infty$ ),  $A^n$  tends to zero.





## IOA similarity to LCA

$$X = [I + A]Y + X = [A^2 + A^3 + \dots + A^n]Y$$

### List of required inputs:

Diesel  
Sugarcane  
Ethanol  
Gasoline  
Inorganic chemicals  
Petroleum and natural gas  
Cement  
Fuel oil  
Other non-metallic mineral products  
Other refined petroleum products  
Etc....

Similar to the  
Life Cycle  
Inventory (LCI)



# Objectives

$$X = (I - A)^{-1} Y$$

→ Shock in  
“Final demand”



## Technology scenarios

- 1G sugarcane ethanol (2009)
- 1G sugarcane ethanol (optimized),
- 1G2G sugarcane ethanol.

**To measure impacts** to the whole country considering the entire supply chain

- Economic
- Environmental (GHG emission)



## Main Steps (4):

1

		Setores de compra							Demanda final	Valor produção
		1	2	...	j	...	73	Y	X	
Produtos vendidos	1	$z_{11}$	$z_{12}$	...	$z_{1j}$	...	$z_{1-73}$			
	2	$z_{21}$	$z_{22}$	...	$z_{2j}$	...	$z_{2-73}$			
	...	...	...	...	...	...	...			
	i	$z_{i1}$	$z_{i2}$	...	$z_{ij}$	...	$z_{i-73}$			
	...	...	...	...	...	...	...			
	120	$z_{n1}$	$z_{n2}$	...	$z_{ni}$	...	$z_{120-73}$			
Valor adicionado	W									
Despesas totais	$X^t$									

Direct requirements matrix (A)

2

Shock in final demand (Y)



$$X = (I - A)^{-1} \cdot Y$$

3

		Setores de compra							Demanda final	Valor produção
		1	2	...	j	...	73	Y	X	
Produtos vendidos	1	$z_{11}$	$z_{12}$	...	$z_{1j}$	...	$z_{1-73}$			
	2	$z_{21}$	$z_{22}$	...	$z_{2j}$	...	$z_{2-73}$			
	...	...	...	...	...	...	...			
	i	$z_{i1}$	$z_{i2}$	...	$z_{ij}$	...	$z_{i-73}$			
	...	...	...	...	...	...	...			
	120	$z_{n1}$	$z_{n2}$	...	$z_{ni}$	...	$z_{120-73}$			
Valor adicionado	W									
Despesas totais	$X^t$									

Impact on the outputs array (X)

4



Environmental burdens array (R)

		Setores de compra							Demanda final	Valor produção	Carga ambiental
		1	2	...	j	...	73	Y	X		
Produtos vendidos	1	$z_{11}$	$z_{12}$	...	$z_{1j}$	...	$z_{1-73}$				
	2	$z_{21}$	$z_{22}$	...	$z_{2j}$	...	$z_{2-73}$				
	...	...	...	...	...	...	...				
	i	$z_{i1}$	$z_{i2}$	...	$z_{ij}$	...	$z_{i-73}$				
	...	...	...	...	...	...	...				
	120	$z_{n1}$	$z_{n2}$	...	$z_{ni}$	...	$z_{120-73}$				
Valor adicionado	W										
Despesas totais	$X^t$										

Environmental impact (E)



$$E = R \cdot X$$



- I) **1G 2009** : sugarcane ethanol production, Brazilian average technology in 2009
- II) **1G optimized**: biorefinery featuring the best current 1G technologies for ethanol and electricity production;
- III) **1G2G**: biorefinery featuring the best upcoming 1G2G technologies for ethanol and electricity production;



## • 1G:

	<b>1G-2009</b>	<b>1G optimized</b>	Reference
<i>Agricultural data: Canasoft</i>			
Sugarcane yield	<b>81.9 TC/ha</b>	81.9 TC/ha	CONAB (2009)
Harvesting technology	<b>52.1% manual</b>	0% manual	CONAB (2009)
Mechanical harvesting	<b>25.3% burning</b>	0% burning*	*Assumed
Sugarcane straw yield	<b>140 kg/TC</b>	140 kg/TC	Dias et al. (2011)
Straw removal	<b>0%</b>	50% (integral, no baling)	Report PAT (2012)
Vinasse	<b>888 kg/TC</b>	888 kg/TC	Report PAT (2012)
<i>Industrial data: Aspen e Econosoft</i>			
Distillery configuration	Stand-alone	<b>Stand-alone</b>	Assumido
Ethanol dehydration	Azeotropic distillation	<b>Molecular sieves</b>	Cavalett et al. (2012)
Steam consumption	Simulated	<b>20% reduction</b>	Cavalett et al. (2012)
Drivers	Mechanical (direct)	<b>Electric</b>	Cavallet et al. (2012)
Boilers	22 bar	<b>90 bar</b>	Cavallet et al. (2012)
Bagasse surplus	Sold	<b>Electricity production</b>	Cavallet et al. (2012)
Electricity surplus	-	<b>183 kWh/TC</b>	Cavallet et al. (2012)
Ethanol yield	64.7 kg/TC	<b>64.8 kg/TC</b>	Cavallet et al. (2012)

## • 1G2G:

### Integrated 1G2G

#### **Agricultural data**

Sugarcane yield	81.9 TC/ha
Mechanical harvesting area	100 %
Straw yield	140 kg/TC
Straw removal from field	50 % (integral, no bailing)
Vinasse yield	1175 kg / TC

#### **Industrial data**

Distillery configuration	Stand-alone
1G Ethanol production	Optimized
Drivers	Electric
Ethanol dehydration	Molecular sieves
Steam consumption	20% reduction
Boilers	90 bar
Ethanol yield	<b>92.3 kg/TC</b>
Electricity surplus	<b>80 kWh/TC</b>
Pretreatment	<b>Steam explosion</b>
Hidrolysis	<b>Future technology</b>
Hydrolysis yield	<b>70%</b>
Solids loading	<b>15%</b>
Hydrolysis reaction time	<b>48h</b>
Pentose biodigestion	<b>Yes</b>

# Preliminary Results IOA-LCA



# Direct requirements

1

		Setores de compra						Demanda final	Valor produção
		1	2	...	<i>j</i>	...	73	Y	X
Produtos vendidos	1	$z_{11}$	$z_{12}$		$z_{1j}$		$z_{1,73}$		
	2	$z_{21}$	$z_{22}$		$z_{2j}$		$z_{2,73}$		
	...	...	...		...		...		
	<i>j</i>	$z_{j1}$	$z_{j2}$		$z_{jj}$		$z_{j,73}$		
	...	...	...		...		...		
	120	$z_{n1}$	$z_{n2}$		$z_{nj}$		$z_{n,73}$		
Valor adicionado	W								
Despesas totais	$X^t$								

Direct requirements matrix (A)



# Direct requirements

## Agricultural stage (sugarcane) : Canasoft®

### Lista de itens na composição de custos (Canasoft)

Maquinário	479,01	R\$/ha.ano
Implementos	190,37	R\$/ha.ano
Diesel	325,50	R\$/ha.ano
Manutenção	44,12	R\$/ha.ano
Lubrificantes	4,85	R\$/ha.ano
Seguro e Garagem	13,39	R\$/ha.ano
Mão de obra (operações mecanizadas)	115,74	R\$/ha.ano
Mão de obra (operações manuais)	221,60	R\$/ha.ano
Mudas	186,57	R\$/ha.ano
Agroquímicos	210,06	R\$/ha.ano
Fertilizantes (N, P e K)	479,47	R\$/ha.ano
Calcário e gesso	38,12	R\$/ha.ano
Caminhões	303,70	R\$/ha.ano
Reboques	80,19	R\$/ha.ano
Diesel	336,33	R\$/ha.ano
Pneus	101,26	R\$/ha.ano
Manutenção	41,37	R\$/ha.ano
Lubrificantes	4,55	R\$/ha.ano
Mão de obra (motoristas)	77,58	R\$/ha.ano
Eletricidade recalque vinhaça	10,16	R\$/ha.ano

### Agrupamento: itens idênticos (Canasoft)

Maquinário	479,01	R\$/ha.ano
Implementos	190,37	R\$/ha.ano
Diesel (total)	689,50	R\$/ha.ano
Manutenção (total)	85,49	R\$/ha.ano
Lubrificantes (total)	9,40	R\$/ha.ano
Seguro e Garagem	13,39	R\$/ha.ano
Mudas	186,57	R\$/ha.ano
Agroquímicos	210,06	R\$/ha.ano
Fertilizantes (N, P e K)	479,47	R\$/ha.ano
Calcário e gesso	38,12	R\$/ha.ano
Caminhões	303,70	R\$/ha.ano
Reboques	80,19	R\$/ha.ano
Pneus	101,26	R\$/ha.ano
Eletricidade	10,16	R\$/ha.ano
Concreto (total)	4,45	R\$/ha.ano
Aço estrutural	3,26	R\$/ha.ano
Impermeabilizante asfáltico (total)	11,32	R\$/ha.ano
Transporte	0,66	R\$/ha.ano
Outros custos de construção (total)	2,52	R\$/ha.ano
Sistema de recalque vinhaça	2,26	R\$/ha.ano

### Código por produto (Matriz IBGE, 110 produtos e 55 setores)

EOB	Excedente operacional bruto
EOB	Excedente operacional bruto
030905	Óleo diesel
110101	Serviços de manutenção e reparação
030906	Outros produtos do refino de petróleo e coque
090101	Intermediação financeira, seguros e previdência complementar e serviços rel
010104	Cana de açúcar
031401	Defensivos agrícolas
031101	Produtos químicos inorgânicos
020303	Outros produtos de minerais não-metálicos
070101	EOB
070101	EOB
031801	Artigos de borracha
040101	Produção e distribuição de eletricidade, gás, água, esgoto e limpeza urbana
031901	Cimento
032301	Produtos de metal - exclusive máquinas e equipamento
030906	Outros produtos do refino de petróleo e coque
070101	Transporte de carga
050101	Construção civil
032301	Produtos de metal - exclusive máquinas e equipamento

# Direct requirements

Industrial stage: Econosoft<sup>®</sup>, Aspen Plus<sup>®</sup>

## Coefficientes da Planilha Econômica (T.I.R)

<i>Cana-de-açúcar</i>	0,304
<i>Palha</i>	0,019
<i>Enzimas</i>	0,012
<b><i>Outros insumos</i></b>	<b>0,082</b>
<i>Imposto sobre a produção</i>	0,007
<i>Mão-de-obra</i>	0,022
<i>Excedente operacional bruto</i>	0,554
	1,000

## Desagregando outros insumos (ICV e Aspen)

<i>Cana-de-açúcar</i>	0,3037
<i>Palha</i>	0,0192
<i>Enzimas</i>	0,0115
<b><i>Sulphuric acid, liquid, at plant, market mix/CTBE B</i></b>	<b>0,0240</b>
<b><i>Lubricating oil, market mix/CTBE BR U</i></b>	<b>0,0045</b>
<b><i>Lime, hydrated, packed, at plant/CH U</i></b>	<b>0,0175</b>
<b><i>Zeolite, powder, at plant/RER S</i></b>	<b>0,0070</b>
<b><i>Chemicals organic (antibiotic), at plant/GLO U</i></b>	<b>0,0252</b>
<b><i>Chemicals inorganic (floculant), at plant/GLO U</i></b>	<b>0,0040</b>
<i>Imposto de Renda - Pessoa Jurídica</i>	0,0065
<i>Mão-de-obra</i>	0,0224
<i>Excedente operacional bruto</i>	0,5544

## Código por produto (110 produtos e 55 setores)

<i>010104 Cana de açúcar</i>
<i>010104 Cana de açúcar</i>
<i>031701 Produtos e preparados químicos diversos</i>
<i>031101 Produtos químicos inorgânicos</i>
<i>030906 Outros produtos do refino de petróleo e coque</i>
<i>031101 Outros produtos de minerais não metálicos</i>
<i>031701 Produtos e preparados químicos diversos</i>
<i>031301 Produtos farmacêuticos</i>
<i>031701 Produtos e preparados químicos diversos</i>
<i>Impostos diretos</i>
<i>Remunerações</i>
<i>Excedente operacional bruto</i>



# Shock final demand

2

R\$ 1,000,000  
Ethanol final  
demand (Y)



3

		Setores de compra						Demanda final	Valor produção
		1	2	...	j	...	73	Y	X
Produtos vendidos	1	$z_{11}$	$z_{12}$		$z_{1j}$		$z_{1,73}$		
	2	$z_{21}$	$z_{22}$		$z_{2j}$		$z_{2,73}$		
	...	...	...		...		...		
	i	$z_{i1}$	$z_{i2}$		$z_{ij}$		$z_{i,73}$		
	...	...	...		...		...		
	120	$z_{n1}$	$z_{n2}$		$z_{nj}$		$z_{120,73}$		
Valor adicionado	W								
Despesas totais	$x^t$								

Impact on sector outputs (X)

# Economic Impact

## Top 5 Direct and indirect inputs Biorefinery outputs

Scenario 1G 2009	Impact (R\$) 2050095
Ethanol (1G 2009)	1000000
Sugarcane (1G-2009)	477114
Inorganic chemicals	85020
Trade	58409
Diesel	50024
Petroleum and natural gas	39330
Other refined petroleum products and c	35225
Cargo transportation services	30847
Electricity, gas, water, sewage and urba	19369
Financial services and insurance	18948
Agricultural pesticides	18723
Services to companies	18144
Other non-metallic mineral products	17386
Electricity generation	15307
Pharmaceuticals	13834
Gasoline	13756
Sugar	12265
Non-metallic minerals	9895
Information services	9802
Repair and maintenance services	9720

Scenario 1G optimized	Impact (R\$) 2423486
Ethanol (1G optmized)	1000000
Sugarcane (1G optimized)	506648
Electricity generation (1G optmized)	316068
Inorganic chemical products	84425
Diesel	62358
Trade	62054
Petroleum and gas	37173
Cargo transportation services	31857
Other non-metallic mineral products	21664
Electricity, gas, water, sewage and u	20548
Financial services and insurance	20517
Agricultural pesticides	19907
Services to companies	19047
Other refined petroleum products a	17665
Pharmaceuticals	17320
Other chemicals	16752
Electricity generation	15083
Gasoline	12961
Sugar	12086
Repair and maintenance services	11679

# Economic Impact

## Top 5 Direct and Indirect inputs

Scenario 1G optimized	Impact (R\$)
	2423486
Ethanol (1G optimized)	1000000
Sugarcane (1G optimized)	506648
Electricity generation (1G optimized)	316068
Inorganic chemical products	84425
Diesel	62358
Trade	62054
Petroleum and gas	37173
Cargo transportation services	31857
Other non-metallic mineral products	21664
Electricity, gas, water, sewage and urban waste disposal	20548
Financial services and insurance	20517
Agricultural pesticides	19907
Services to companies	19047
Other refined petroleum products and coal	17665
Pharmaceuticals	17320
Other chemicals	16752

Scenario 1G2G	Impact (R\$)
	1888559
Ethanol (1G2G)	1000000
Sugarcane (1G2G)	355749
Electricity generation (1G2G)	97646
Inorganic chemical products	55914
Diesel	45152
Trade	44990
Petroleum and natural gas	26241
Cargo transportation services	22781
Other chemicals	19738
Electricity, gas, water, sewage and urban waste disposal	15152
Other non-metallic mineral products	15039
Financial services and insurance	14779
Agricultural pesticides	14100
Services to companies	13858
Pharmaceuticals	12869
Other refined petroleum products and coal	11291

Diesel, petroleum and natural gas are required to produce indirect inputs due to the Brazilian technological structure



# Environmental impact

## Environmental burden array (R)

Average on-site emission	(g CO <sub>2</sub> eq / R\$)
Paddy rice	1341,78
Corn	418,45
Wheat and other cereal grains	277,28
Soybean	283,47
Other crop products	60,76
Cassava	334,71
Tobacco	158,64
Upland cotton	176,37
Citric fruits	192,34
Coffee bean	204,90
Forestry products	207,60

Data related to **on-site emissions** for 120 products (not only agricultural)



# Environmental impact

Straw Burning,  
manual  
harvesting

Emissions already  
allocated to ethanol  
(economic criteria)

No burning,  
manual  
harvesting

## Scenario 1G 2009

Input	Emission (g CO <sub>2eq</sub> /L)
Overall	693,45
Sugarcane (1G-2009)	414,29
Diesel	123,71
Ethanol (1G 2009)	45,11
Gasoline	35,70
Inorganic chemicals	12,99
Other refined petroleum produ	10,11
Petroleum and natural gas	8,76
Fuel oil	7,00
Cement	6,97
Other non-metallic mineral pro	5,76
Electricity generation	4,86
Sugarcane	4,72
Organic chemicals	2,32
Electric power transmission	2,22
Electricity, gas, water, sewage	2,12
Coal	0,97
Cargo transportation services	0,92
Resins and elastomers	0,72
Cattle and other livestock	0,61
Agricultural pesticides	0,43

## Scenario 1G optimized

Input	Emission (g CO <sub>2eq</sub> /L)
Overall	331,81
Diesel	117,20
Sugarcane (1G-optimized)	82,53
Ethanol (1G-optimized)	47,13
Gasoline	25,56
Inorganic chemicals	9,80
Petroleum and natural gas	6,29
Cement	6,14
Fuel oil	5,64
Other non-metallic mineral	5,46
Other refined petroleum pr	3,85
Electricity generation	3,64
Electricity generation (1G- optimized)	3,58
Sugarcane	3,53
Organic chemicals	2,06
Electric power transmissio	1,73
Electricity, gas, water, sew	1,71
Resins and elastomers	0,78
Coal	0,77
Cargo transportation servi	0,72
Cattle and other livestock	0,50

# Environmental impact

Yield:  
64.7 kg  
ethanol/TC

## Scenario 1G optimized

Input	Emission (g CO <sub>2eq</sub> /L)
<b>Overall</b>	<b>331.81</b>
Diesel	117,20
Sugarcane (1G-optimized)	82,53
Ethanol (1G-optimized)	47,13
Gasoline	25,56
Inorganic chemicals	9,80
Petroleum and natural gas	6,29
Cement	6,14
Fuel oil	5,64
Other non-metallic mineral	5,46
Other refined petroleum pro	3,85
Electricity generation	3,64
Electricity generation (1G-)	3,58
Sugarcane	3,53
Organic chemicals	2,06
Electric power transmission	1,73
Electricity, gas, water, sew	1,71
Resins and elastomers	0,78

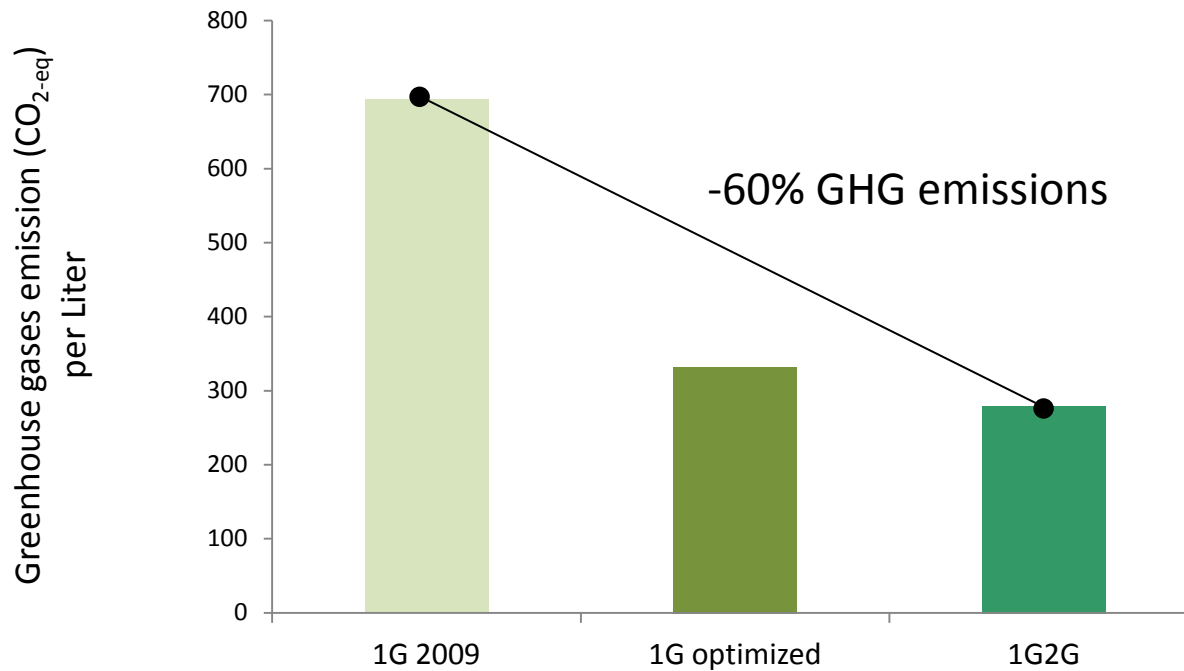
Yield:  
92 kg  
ethanol/TC

## Scenario 1G2G

Input	Emission (g CO <sub>2eq</sub> /L)
<b>Overall</b>	<b>279,15</b>
Diesel	101,62
Sugarcane (1G2G)	76,27
Ethanol (1G2G)	32,29
Gasoline	21,59
Inorganic chemicals	7,77
Petroleum and natural gas	5,32
Cement	5,30
Fuel oil	4,76
Other non-metallic mineral pro	4,54
Electricity generation	3,08
Sugarcane	2,99
Other refined petroleum produ	2,95
Organic chemicals	1,94
Electricity, gas, water, sewage	1,51
Electric power transmission	1,45
Resins and elastomers	0,83
Coal	0,66

# Environmental impact

- 1G 2009 : average emission 693 gCO<sub>2 eq</sub>/L
- 1G2G : average emission 280 gCO<sub>2 eq</sub>/L
- **Potential reduction: 410 g CO<sub>2eq</sub>/L**



# Future challenges

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- Sensitivity analysis : uncertainty related to prices?
- Disaggregate direct and indirect impacts

$$X = [I + A]Y + X = [A^2 + A^3 + \dots + A^n]Y$$

- Structural Path Analysis (PAT): track emissions considering tier 0 (direct suppliers), tier 1, tier 2, tier 3 (indirect suppliers), and so on.



- Increase the amount of environmental burden arrays

- Results: comparison with process-based LCA

# Thanks !

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